

FEDERAL BUREAU OF INVESTIGATION

Reporting Office DALLAS	Office of Origin DALLAS	Date 5/8/62	Investigative Period 5/2-8/62
TITLE OF CASE BILLIE SOL ESTES, aka; Dr. JAMES T. RALPH, Assistant Secretary of Agriculture, USDA, Washington, D. C.; WILLIAM E. MORRIS, aka, Administrative Assistant to Assistant Secretary of Agriculture, USDA, Washington, D. C.; EMERY E. JACOBS, aka, Former Deputy Administrator, ASCS, USDA, Washington, D. C.		Report made by SA MANNING C. CLEMENTS	Typed By: sa
		CHARACTER OF CASE BRIBERY; CONFLICT OF INTEREST	

REFERENCE:

Dallas report of SA MANNING C. CLEMENTS, 5/1/62.

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ENCLOSURES:

TO WASHINGTON FIELD

Two copies of referenced report of SA MANNING C. CLEMENTS at Dallas, 5/1/62.

LEADS:

EL PASO AND OKLAHOMA CITY - INFORMATION

Copies are furnished El Paso for information and distribution to the USA, El Paso, in view of the companion case involving ESTES, et al, in which El Paso is origin; one copy is designated Oklahoma City in view of residence of subject

Approved <i>COLE</i>	Special Agent In Charge	Do not write in spaces below	
Copies made: ④ - Bureau (29-28704) 1 - USA, Fort Worth 3 - El Paso (29-351)(1 - USA, El Paso)(Info) 1 - Oklahoma City (87-7903)(Info) 3 - Washington Field (87-8242) (Encs. 2) 4 - Dallas (58-188) 5/18/62		29-28704-230	REG-104 REC-30 EX-113

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DL 58-188

JACOBS within that division following resignation.

ALL OFFICES

Complete pending investigation expeditiously in order that facts developed may be fully evaluated and basis for further investigation determined.

ADMINISTRATIVE:

On 5/7/62, [] Railway Express Agency, Dallas, advised that records for packages sent by Air Express to Washington, D. C. can be obtained by contact with [] [] District Accounting Bureau, REA, 2nd and I Streets, N.E., Washington, D. C.

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Review is being made of Dallas file in order that Washington Field office will be supplied with copies of all pertinent reports not heretofore designated for that office by auxiliary offices. Note is taken of the fact that a possible perjury violation may exist in connection with statements under oath given to Washington Field Agents by Dr. JAMES T. RALPH concerning purchases at Neiman-Marcus Store, Dallas.

As reflected in administrative pages of referenced Dallas report, a signed statement under oath is to be obtained from FRANK CAIN, Dallas attorney, with regard to statements of ESTES in his presence regarding payoffs. Regular contacts with Mr. CAIN's office have disclosed his absence from Dallas during the period since last report. He agreed telephonically to dictate his statement to his secretary and advise when same was completed. On 5/7/62, Mr. CAIN's secretary advised the statement had been dictated in part, but that CAIN had necessarily left Dallas prior to completion. This matter is being followed daily.

[] mentioned in interview with [] set out in this report, has been determined to live in Lubbock, Texas. He was not immediately available for interview, which is scheduled late 5/9/62.

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UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

Copy to: 1 - USA, Fort Worth, Texas
1 - USA, El Paso, Texas

Report of: MANNING C. CLEMENTS
Date: May 8, 1962

Office: Dallas

Field Office File No.: 58-188

Bureau File No.: 29-28704

Title: BILLIE SOL ESTES; Dr. JAMES T. RALPH, Assistant Secretary of Agriculture, U. S. Department of Agriculture, Washington, D. C.; WILLIAM E. MORRIS, Administrative Assistant to Assistant Secretary of Agriculture, Washington, D. C.; EMERY E. JACOBS, Former Deputy Administrator; Agricultural Stabilization and Conservation Service, U. S. Department of Agriculture, Washington, D. C.

CHARACTER: BRIBERY, CONFLICT OF INTEREST

SYNOPSIS:

Carte Blanche credit card account of ESTES reflects charges in October, 1961, which include hotel bill of JACOBS. Package purporting to contain suits purchased by RALPH, Neiman-Marcus, Dallas, sent by Air Express to ESTES, Washington Hotel, Washington, D. C. Purchaser of grain warehouse, Memphis, Texas, denies he or persons acting for him solicited others to participate in purchase with inference of graft to USDA employees; states one [redacted] described as "confidence man and chronic liar" represented about two years ago had influence by which grain elevators could be filled. b6
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ESTES MAY HAVE SUICIDAL TENDENCIES.

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DETAILS: AT DALLAS, TEXAS

Review of material furnished to the Los Angeles office of the FBI on April 20, 1962, by [redacted] b6
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Hilton Carte Blanche, reveals a charge of \$130.90 was made to Carte Blanche credit card 947-066-190-0-00, issued to BILLIE SOL ESTES, in October, 1961, such charges being shown as having been incurred for rooms 1202-04-06, Statler-Hilton Hotel, Dallas, Texas. Details of information supplied on April 17, 1962, to SA JAMES P. HOSTY, JR., by [redacted] Statler-Hilton Hotel, Dallas, reveal EMERY E. JACOBS occupied room 542, and on checking out on October 25, 1961, his hotel bill of \$17.08 was charged to room 1202, occupied by ESTES, and this sum was included in charges to ESTES' credit card.

Review of other charges to Carte Blanche cards of ESTES discloses most of the charges were incurred by [REDACTED] [REDACTED] BILLIE SOL ESTES, and no significance to this investigation is readily apparent. As of possible interest, it is observed charges of \$146.84 were shown to have been incurred by BILLIE SOL ESTES at Water Gate Inn, Washington, D. C., on June 26, 1961, and charges of \$10.10 at Iron Gate Inn, Washington, D. C., June 27, 1961.

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FEDERAL BUREAU OF INVESTIGATION

Date 5/7/62

[redacted]

Neiman-Marcus, Main and Ervay, Dallas, Texas checked the records of that store and exhibited Air Express waybill and receipt number 53-39-81 dated September 15, 1961 prepared on "1 carton Mdse", weight eleven pounds, forwarded by Neiman-Marcus to "Billie Sol Estes, Washington Hotel, Washington, D.C., declared value \$50.00." He pointed out this Air Express receipt bore the handwritten notation "63118-49" which is the number of the Neiman-Marcus sales ticket in the amount of \$2.80 for "2 suits - air mail", charged to ESTES' account at Neiman-Marcus.

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[redacted] explained that the "declared value of \$50.00" does not represent the actual value of the shipment but is a "minimum value" used on all Railway Express and Air Express shipments. He volunteered Neiman-Marcus carries a blanket insurance policy which covers the company in the event of loss in excess of \$50.00.

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[redacted] also located and exhibited from the files of Neiman-Marcus a record reflecting the shirts, ties and handkerchiefs covered by Neiman Marcus sales ticket number 63194-16 dated September 9, 1961 were forwarded by parcel post (insured) to "Billy Sol Estes, Pecos, Texas on September 9, 1961". He advised he could find no record of mailing or shipping the shirts and ties covered by Neiman-Marcus sales ticket number 63194-14 dated September 9, 1961, indicating the customer may have taken this merchandise with him or her at the time of purchase. [redacted] stated that if the merchandise was taken by the customer the ticket actually should have the letter "T" in a space provided for "Send To", but it is possible the salesman inadvertently failed to make such notation on the ticket.

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[redacted] advised he did not see any need for furnishing the above information under oath or incorporating same to a signed statement.

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Interviewed on 5/7/62 at Dallas, Texas File # DL 58-188
EP 29-351
by Special Agent GASTON C. THOMPSON/sah Date dictated 5/7/62

FEDERAL BUREAU OF INVESTIGATION

Date 5/7/62

ROBERT BOYD (BOB) WATSON, Salesman, Clothing Department, Neiman-Marcus, residence 7230 West Lake, both Dallas, Texas was reinterviewed under oath concerning any additional recollection he might have concerning the forwarding of two suits to BILLIE SOL ESTES in care of the Washington Hotel, Washington, D.C. on or about September 14, 1961, which suits had been fitted previously on September 8 or September 9, 1961 to Dr. James T. Ralph, Assistant Secretary of Agriculture, U.S. Department of Agriculture, Washington, D.C. WATSON was also questioned concerning his recollection of the disposition made by him of the shirts and ties covered by Neiman-Marcus sales ticket number 63194-14, dated September 9, 1961, since the salesman (RAYMOND E. TOWNSEND) who prepared this ticket had advised he delivered the merchandise covered by the ticket to WATSON for disposal.

WATSON reiterated that he prepared Neiman-Marcus sales ticket number 63118-49, dated September 14, 1961, in the amount of \$2.80 to cover "2 suits - air mail" forwarded from Neiman-Marcus, Dallas, to BILLIE SOL ESTES at the Washington Hotel, Washington, D.C. He again stated this ticket covered the transportation charge on the two size 41 suits covered by Neiman-Marcus sales tickets numbers 63118-23 and 63118-24, both dated September 9, 1961, which were charged to the account of ESTES at Neiman-Marcus. He reiterated he was not furnished a disposition or address for these suits at the time the suits were purchased, or he would have placed such information on the original sales tickets. He said he does not recall the source of the information which resulted in his forwarding the suits to ESTES at the Washington Hotel in Washington, D.C.; however, he is of the opinion such information was furnished him by ESTES. He said ESTES may have called him a day or two after the purchase and instructed him to send the suits to Washington, D.C.; however, he is of the opinion that ESTES probably told him at the time of purchase if he (ESTES) did not pick up the suits by the time alterations were all completed, the suits should be mailed to him (ESTES) in care of the Washington Hotel, Washington, D.C.

WATSON again reviewed a reproduction of Neiman-Marcus sales ticket number 63194-14 dated September 9, 1961 prepared by former salesman RAYMOND E. TOWNSEND, which ticket covered

Interviewed with _____ File # DL 58-188
EP 29-351
on 5/7/62 at Dallas, Texas Date dictated 5/7/62
by Special Agent GASTON C. THOMPSON/sah

DL 58-188

the purchase of six \$16.95 shirts and miscellaneous ties for a total of \$166.91, charged to the account of ESTES at Neiman-Marcus. He said he does not now recall TOWNSEND bringing the merchandise to the clothing department on the third floor at Neiman-Marcus and leaving the shirts and ties with him (WATSON) for disposal; however, such practice was not unusual and it is entirely possible such circumstances were applicable to this particular purchase. He volunteered he is certain that the shirts and ties covered by Neiman-Marcus sales ticket 63194-14 were not transported to Washington, D.C. along with the suits referred to above, for if such had been the case the sales ticket (#63118-49) would have borne some notation indicating there was a carton of shirts and ties, as well as two suits, covered by the shipping charge.

WATSON stated it is customary for him to prepare sales tickets as "air mail" when the merchandise is being forwarded either by air mail or by air express.

WATSON stated he did not see any need to reduce the above information to signed statement form.

FEDERAL BUREAU OF INVESTIGATION

Date 5/7/62b6
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[redacted] COOK Grain and Storage Company, with headquarters at Clarendon, Texas, was interviewed at his home in [redacted] Texas. [redacted] was placed under oath and advised that he purchased the Paymaster Cotton Oil Mill at Memphis, Texas from the Paymaster Gin Company of Abilene, Texas. He advised that negotiations for the purchase began in October of 1961 and were completed in February of 1962. He advised that he paid \$75,000 for the oil mill and purchased it entirely alone. He advised he had no partners and asked no one to go in with him on the purchase.

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[redacted] advised he was acquainted with [redacted] at Boydston's Switch, near Groom, Texas but definitely did not approach him regarding the purchase of the oil mill at Memphis, Texas.

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He advised that his negotiations with Paymaster were with [redacted] in Abilene and stated that [redacted] did tell him that BILLIE SOL ESTES had tried to buy the oil mill but the company wanted no one associating with ESTES.

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[redacted] advised that he never heard of any discussion indicating that some employee of the Department of Agriculture at Dallas would keep the elevator filled with grain for a percentage of the elevator.

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He advised that about two years ago he bought some grain storage at Clarendon, Texas. One [redacted] came to him and asked how he was going to fill the elevator. [redacted] told him that for a percentage of the elevator he could keep it filled through his influence with some of the "big shots" in Dallas. [redacted] claimed to have had some "big shots" out to his house for dinner. [redacted] also claimed that through his influence, he had been able to fill an elevator at Rillman's Switch, Texas near Amarillo and one at Lark, Texas.

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[redacted] as a "confidence man" and a chronic liar and advised that he did not pay any further attention to this proposition.

on 5/7/62 at [redacted] Texas File # DL 58-188
EP 29-351
Date dictated 5/7/62
by Special Agents WILLIAM R. JENKINS & [redacted] cah

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Unrecovered
10:03 pm 5/8/62
reut

MAY 8 1962

TELETYPE

COMMUNICATIONS SECTION

Wette

Mr. Tolson	_____
Mr. Belmont	_____
Mr. Mohr	_____
Mr. Callahan	_____
Mr. Conrad	_____
Mr. DeLoach	_____
Mr. Evans	_____
Mr. Malone	_____
Mr. Rosen	_____
Mr. Sullivan	_____
Mr. Tavel	_____
Mr. Trotter	_____
Tele. Room	_____
Miss Holmes	_____
Miss Gandy	_____

URGENT 5-8-62 5-58 PM CST TEW

TO DIRECTOR, FBI /29-28704/, SAC EL PASO /29-351/, AND

SAC SAN ANTONIO /87-5025/

FROM SAC DALLAS /58-188/

BILLIE SOL ESTES, AKA. ET AL, BRIBERY, CONFLICT OF INTEREST. RE BU TEL TO EL PASO, DALLAS, SAN ANTONIO TODAY.

DISCREET CHECK TELEPHONE CO., DALLAS, TEXAS, REVEALED TELEPHONE NO. [REDACTED] CALLED BY DR. RALPH FEB. TWENTY

FOUR LAST FOR [REDACTED]

TELEPHONE NO. [REDACTED]

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INQUIRY CONFIDENTIAL SOURCE REVEALS [REDACTED]

REAL ESTATE DEPT, SOUTHERN METHODIST

UNIV. [REDACTED] REPORTED TO POSSESS EXCELLENT REPUTATION ON CAMPUS AND HIGHLY REGARDED IN REAL ESTATE FIELD. [REDACTED] HAS FOLLOWING DEGREES- BBA, TEXAS, NINETEEN THIRTY SEVEN. LLB, TEXAS, NINETEEN FORTY ONE. MPA HARVARD, NINETEEN FORTY EIGHT. PH. D, HARVARD, NINETEEN FIFTY FOUR.

ESTES MAY HAVE SUICIDAL TENDICIES.

END AND ACK IN ORDER PLS

WA 8-05 PM OK FBI WA VLH

EP OK FBI EP JPM

SA OK FBI SA JMD
07 MAY 16 1962

TU ALVL DISOX

cc - Curran

100-104

6-706 29-28704-231

25 MAY 10 1962

5/8/62

PLAIN TEXT

TELETYPE

URGENT

TO SAC EL PASO
DALLAS
SAN ANTONIO

FROM DIRECTOR FBI

BILLIE SOL ESTES, ITSP, BRIBERY.

RE WFO AIRTEL FIVE SEVEN SIXTY TWO.

[REDACTED] CRIMINAL DIVISION OF DEPARTMENT OF JUSTICE,

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HAS REQUESTED THAT RECORDS OF MOUNTAIN STATES TELEPHONE
COMPANY, PECOS, TEXAS, BE CHECKED FOR ALL INCOMING AND
OUTGOING LONG DISTANCE TELEPHONE CALLS MADE OR CHARGED TO
ESTES' HOME TELEPHONE. BUSINESS PHONE OF ESTES SHOULD NOT BE
CHECKED AT THIS TIME. RALPH'S HOME PHONE NUMBER IS THREE
FIVE SIX SEVEN TWO TWO ONE.

[REDACTED] PARTICULARLY INTERESTED IN ANY CALLS MADE TO
OR FROM OR CHARGED BY DR. JAMES T. RALPH, MC LEAN, VIRGINIA,
TO ESTES' HOME TELEPHONE ON JANUARY FOURTEEN, SIXTY TWO;
FEBRUARY SEVENTEEN, EIGHTEEN, AND TWENTY FOUR, SIXTY TWO;
AND ANY OTHER CALLS IN CONNECTION WITH RALPH ON ANY OTHER

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DATES.

GEB:jh:ige
(3)

Tolson _____
Belmont _____
Mohr _____
Callahan _____
Conrad _____
DeLoach _____
Evans _____
Malone _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

REC-101
FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
MAY 8 1962

TELETYPE

6-5111

RECEIVED
MAY 13 1962
FBI - EL PASO
232

67 MAY 16 1962 TELETYPE UNIT

TELETYPE TO EL PASO
BILLIE SOL ESTES

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FOR THE INFORMATION OF DALLAS AND EL PASO, [REDACTED]

PAREN PROTECT IDENTITY PAREN IDENTIFIED FOLLOWING TELEPHONE
NUMBERS CALLED FROM DR. RALPH'S PHONE TWO EIGHTEEN SIXTY TWO
PECOS, TEXAS, FOUR FOUR FIVE THREE THREE ONE SEVEN;
TWO NINETEEN SIXTY TWO, DALLAS, TEXAS, THREE SIX EIGHT
TWO ZERO ONE FOUR; TWO TWENTY FOUR SIXTY TWO, DALLAS, TEXAS,
THREE SIX EIGHT TWO ZERO ONE FOUR.

[REDACTED] DESIRES THIS INFORMATION IMMEDIATELY. DALLAS
AND EL PASO DETERMINE SUBSCRIBERS TO ABOVE TELEPHONES AND
OTHER REQUESTED CALLS AND FURNISH TO BUREAU BY TEL FIVE NINE.

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*SAC Eny... 6:15 PM
SAC Lyman 6:25 PM
1/10/62 WBN*

*Request confirmed by 5/10/62 ✓
Hatch to Dept 7:45 PM*

U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
MAY 8 1962

TELETYPE

6-5747

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
MAY 8 1962

TELETYPE

URGENT 5-8-62 6-51 PM RAM
TO SACS EL PASO, DALLAS & SAN ANTONIO
FROM DIRECTOR 2 P

BILLIE SOL ESTES, ITSP, BRIBERY.

RE WFO AIRTEL FIVE SEVEN SIXTYTWO.

[REDACTED], CRIMINAL DIVISION OF DEPARTMENT OF JUSTICE, HAS REQUESTED THAT RECORDS OF MOUNTAIN STATES TELEPHONE COMPANY, PECOS, TEXAS, BE CHECKED FOR ALL INCOMING AND OUTGOING LONG DISTANCE TELEPHONE CALLS MADE OR CHARGED TO ESTES- HOME TELEPHONE. BUSINESS PHONE OF ESTES SHOULD NOT BE CHECKED AT THIS TIME. RALPH/S HOME PHONE NUMBER IS THREE FIVE SIX SEVEN TWO TWO ONE.

[REDACTED] PARTICULARLY INTERESTED IN ANY CALLS MADE TO OR FROM OR CHARGED BY DR. JAMES T. RALPH, MC LEAN, VIRGINIA, TO ESTES- HOME TELEPHONE ON JANUARY FOURTEEN, SIXTYTWO, FEBRUARY SEVENTEEN, EIGHTEEN, AND TWENTYFOUR, SIXTYTWO, AND ANY OTHER CALLS IN CONNECTION WITH RALPH ON ANY OTHER DATES.

FOR THE INFORMATION OF DALLAS AND EL PASO, [REDACTED] PAREN PROTECT IDENTITY PAREN IDENTIFIED FOLLOWING TELEPHONE NUMBERS CALLED
END PAGE ONE

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PAGE TWO

FROM DR. RALPH/S PHONE TWO EIGHTEEN SIXTYTWO PECOS, TEXAS, FOUR FOUR FIVE THREË THREË ONE SEVEN, TWO NINETEEN SIXTYTWO, DALLAS, TEXAS, THREE SIX EIGHT TWO ZERO ONE FOUR, TWO TWENTYFOUR SIXTYTWO, DALLAS, TEXAS, THREE SIX EIGHT TWO ZERO ONE FOUR.

DESIRES THIS INFORMATION IMMEDIATELY. DALLAS AND EL PASO DETERMINE SUBSCRIBERS TO ABOVE TELEPHONES AND OTHER REQUESTED CALLS AND FURNISH TO BUREAU BY TEL FIVE NINE.

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END & ACK PLS

EP OK FBI ~~EP~~ RAR

DL OK ~~DL~~ FBI NW

SA OK FBI ~~SA~~ JWD

TU DISC

UNITED STATES GOVERNMENT

*Memorandum*TO : Mr. Belmont *Be*

DATE: May 8, 1962

FROM : A. Rosen *Rosen*

YB SUBJECT: BILLIE SOL ESTES
INTERSTATE TRANSPORTATION
OF STOLEN PROPERTY - BRIBERY

Tolson _____
Belmont _____
Mohr _____
Casper _____
Conrad _____
DeLoach _____
Evans _____
Malone _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

This is to advise that Dr. James T. Ralph, a Department of Agriculture employee who is involved in the Estes case, has been reinterviewed today.

He terminated the interview because of a prior appointment and will return to the Washington Field Office tomorrow to sign a detailed statement.

He furnished no information we did not already have and is continuing to claim complete innocence and to deny that he ever accepted gifts from Estes.

ACTION:

After he completes his statement tomorrow the Washington Field Office will forward it in an expedite communication for transmittal to the Department.

gpc
OKS
Rosen
WBU
29-28704-233
1 - Mr. DeLoach
1 - Mr. Evans

TWC:bm
(8)

REC-104

25 MAY 10 1962

246
52 MAY 11 1962

6 *Ant...*

FEDERAL BUREAU OF INVESTIGATION

REPORTING OFFICE NEW YORK	OFFICE OF ORIGIN DALLAS	DATE 5/8/62	INVESTIGATIVE PERIOD 4/30 - 5/4/62
TITLE OF CASE BILLIE SOL ESTES; ET AL		REPORT MADE BY <div style="border: 1px solid black; width: 150px; height: 20px;"></div>	TYPED BY kxk b6 b7C
BILLIE SOL ESTES; ET AL		CHARACTER OF CASE BRIBERY-CONFLICT OF INTEREST	
		ITSP-MF; CONSPIRACY	

REFERENCES:

Report of SA MANNING C. CLEMENTS, 4/20/62, at Dallas.
 El Paso airtel to Bureau, 4/27/62.
 NY Teletype to Bureau, 5/1/62.
 Bureau teletype to NY, Dallas, El Paso and New Orleans, 5/1/62.
 NY teletype to Bureau, Dallas and El Paso, 5/2/62.
 NY teletype to Bureau, Dallas and El Paso, 5/3/62.

- RUC -

ENCLOSURES (15)TO EL PASO

Fifteen (15) photostats of various papers which were obtained by officials of Commercial Solvent Corporation,

APPROVED	SPECIAL AGENT IN CHARGE	DO NOT WRITE IN SPACES BELOW	
COPIES MADE:		29-28704-234	REC-10
4 - Bureau (29-28704)		10	REC-b6
4 - Dallas (58-188)		11 MAY 9 1962	b7C
(1 - USA, Fort Worth)			5-5-62
4 - El Paso (29-351) (Encls. 15)			
(1 - USA, El Paso)			
1 - New York (87-26066)			
Dissemination Record of Attached Report		Notations	
Agency		STAT SECT.	
Request Recd.			
Date Fwd.			
How Fwd.			
By			

67 MAY 11 1962
 1cc destroyed 3-5-67

NY 87-26066

ENCLOSURES CONTINUED:

from the offices of BILLIE SOL ESTES, Pecos, Texas. These enclosures are furnished El Paso inasmuch as they would be in a better position to evaluate them.

ADMINISTRATIVE:

Four copies of this report are designated for the Bureau inasmuch as referenced report designated four copies.

Dallas is carried as the Office of Origin with copies for El Paso, inasmuch as principle lead covered by this report is set out by referenced Dallas report. Four copies have been designated for both Dallas and El Paso, inasmuch as they are carrying two separate case files in their Divisions.

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

Copy to: 1 - USA, Forth Worth
1 - USA, El Paso

Report of [REDACTED]
Date: 5/8/62

Office: New York, New York

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Field Office File #: 87-26066

Bureau File #: 29-28704

Title: BILLIE SOL ESTES;
ET AL

Character: BRIBERY-CONFLICT OF INTEREST;
INTERSTATE TRANSPORTATION OF
STOLEN PROPERTY-MAIL FRAUD;
CONSPIRACY

Synopsis:

Details of BILLIE SOL ESTES' dealings with
Commercial Solvent Corporation set forth.
ESTES MAY HAVE SUICIDAL TENDENCIES.

- RUC -

DETAILS:

This document contains neither recommendations nor conclusions
of the Federal Bureau of Investigation, (FBI). It is the
property of the FBI and is loaned to your agency; it and
its contents are not to be distributed outside your agency.

FEDERAL BUREAU OF INVESTIGATION

Date 5/3/62

[redacted]
[redacted] Commercial Solvents Corporation,
200 Madison Avenue, New York, New York; interviewed on
May 1, 1962, was advised that any information he gave
could be used in a court against him and that he might
consult an attorney if so desired. Present during the
interview of [redacted] Corporation
Counsel, Commercial Solvents Corporation. [redacted]
advised as follows:

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Immediately after his company received
information that BILLIE SOL ESTES was arrested by the
Federal Bureau of Investigation, he and [redacted]
flew to Pecos, Texas, to determine what Commercial
Solvents position would be in the matter. He advised that
they contacted [redacted] of the Estes Enterprise
and certain records of the Estes Enterprise were made
available to them. He advised that these records dealt
mainly with the account receivable of Anhydrous Ammonia
and with inventories of Anhydrous Ammonia.

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He advised that the reason why they took
charge of these records was in order to secure the position
of Commercial Solvents Corporation in the sales and
marketing of Anhydrous Ammonia in the Texas area. He
stated, in addition, they took some papers which dealt
with leases on properties against which his company
had assignments or mortgages.

On 5/1/62 at New York, NY File # 87-26066

by SAS [redacted] date dictated 5/3/62
[redacted]

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This document contains neither recommendations nor
conclusions of the FBI. It is the property of the FBI
and is loaned to your agency; it and its contents are
not to be distributed outside your agency.

NY 87-26066

[redacted] furnished copies of all the material that did not deal specifically with Anhydrous Ammonia, accounts receivable or inventory, and a review of these reflects they are as follows:

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- (1) Copy of a lease between ~~JIM/MC~~ CORMAC and BILLIE SOL ESTES d/b/a United Elevators.
- (2) Copy of a lease between ~~Nickels Ginning~~ Company and BILLIE SOL ESTES d/b/a United Elevators.
- (3) Balance sheet of ~~United Elevators~~, Plainview, Texas, dated March 30, 1962.
- (4) Uniform Grain Storage Agreement, between ~~Commodity Credit Corporation~~ and ~~Hale County Grain~~, Plainview, Texas.
- (5) Copy of a schedule, showing amount of grain stores in various elevators.
- (6) Copy of a tax schedule for United Elevators.
- (7) List of notes and mortgages on United Elevators, Plainview, Texas, dated March 30, 1961.
- (8) Copies of various Accounting Papers; showing, among other things, land owned by BILLIE SOL ESTES, d/b/a/ United Elevators.
- (9) List of accounts receivable, ~~Farmers~~ Company, Fabens, as of March 28, 1962.

NY 87-26066

- (10) Schedule of accounts receivable, Farmers Company, March 28, 1962.
- (11) Accounts receivable, Farmers Company, Rio Hondo, as of March 28, 1962.
- (12) Copy of lien affidavit and claim of Lubbock Machine and Supply Company, against BILLIE SOL ESTES d/b/a United Elevators.
- (13) Copy of the property taken by Texas Authorities .
- (14) Accounts receivable ~~Lester-Sone~~ Company, as of February 31, 1962
- (15) Copy of a letter and lien affidavit between the ~~Lubbock~~ Machine and Supply Company, and BILLIE SOL ESTES d/b/a United Elevators.

[redacted] advised that in addition to the above documents, he and representatives of his company took control of various work papers concerning the Anhydrous Ammonia assests, and he would be glad to make those available for any examination desired. These records were reviewed and nothing was noted that ~~would~~ reflect directly upon Anhydrous Ammonia.

[redacted] advised that he never received any information indicating that BILLIE SOL ESTES was making or had made any payments or given any gratituties to any members of the United States Government.

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NY 87-26066

He further advised that neither ESTES or any of the members of his organization had any interest in the Commercial Solvents Corporation.

FEDERAL BUREAU OF INVESTIGATION

Date 5/3/62

On May 2, 1962, [] was recontacted and he advised that his company is presently in contact with the Agricultural Administration, attempting to work out an agreement whereby they will salvage whatever they can out of the situation. He advised that members of his company are presently making up an analysis of all of the company's dealings with BILLIE SOL ESTES and he would be glad to make a copy of this available, when it is completed. He furnished a copy of the summary memorandum, which reflects what information will be contained in the analysis. This memorandum is a summary of the dealings of Commercial Solvents Corporation (CSC) and BILLIE SOL ESTES (ESTES) and is set out below:

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"May 1, 1962

MEMORANDUM

Dealings between Commercial Solvents Corporation (CSC) and Billie Sol Estes (Estes)*

1. Estes began buying anhydrous ammonia (ammonia) from CSC in May, 1958. By August, 1958, Estes owed CSC about \$500,000. against which he had made no payments. Through []

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[] Estes arranged for an appointment at CSC's principal office in New York, where he met for the first time with CSC's executive officers and proposed an agreement which, after negotiation, results in the execution of the Master Agreement made as of December 1, 1958 between CSC and Estes.

On 5/2/62 at New York, New York File # NY 87-26066

by SA [] /ath Date dictated 5/3/62

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NY 87-26066

2. The arrangement reflected in the Master Agreement was substantially as follows:

CSC loaned Estes \$900,00 by promissory notes payable in equal annual installments over a 5-year period beginning February 28, 1960. (\$540,000 of that original \$900,000 is still unpaid.) Of the loan, about \$575,000 was to cover Estes' indebtedness to CSC for ammonia purchased through November, 1958, \$225,000 was to finance Estes' down payment on his purchase of the Smith-Bawden grain terminals, and about \$100,000 was to finance Estes' first \$100,000 of ammonia purchased from CSC thereafter.

CSC and Estes simultaneously entered into a Fertilizer Agreement dated as of December 1, 1958, pursuant to which Estes agreed to buy his requirements of ammonia from CSC, subject to a meeting-competition provision and provided that CSC was not obligated to deliver more than 12,000 tons in any year. The price CSC's published schedule price from time to time in effect. Payment was to be made on CSC's standard credit terms, except that Estes was allowed an open line of credit not to exceed \$500,000, evidenced by promissory notes (none of which was ever delivered) with interest at 5%. The agreement was to continue for 5 fertilizer years, and from year to year thereafter until terminated.

*This memorandum summarizes in general terms some of the more important features of numerous documents.

NY 87-26066

Estes' indebtedness was secured as follows: He gave CSC a chattel mortgage dated November 25, 1958 covering 800 1,000-gallon ammonia tank-trailers and 400 500-gallon acid tank-trailers, and covering the inventory and equipment at the two Smith-Bawden terminals, and a Deed of Trust dated November 25, 1958 covering realty at the two Smith-Bawden terminals. He assigned to CSC three life insurance policies on his life having an aggregate face value of \$500,000. Finally, he gave CSC an assignment of accounts receivable, notice of which was filed on April 1, 1959, and in that connection he assigned to CSC the proceeds under his CCC grain storage contract No. A74-6-CCC-1761A. CSC agreed to release the first \$105,400 from the proceeds of the CCC contract to the prior owners of the Smith-Bawden terminals.

Estes further agreed in substances that he would not further encumber 12 specified tracts of land, that if he sold them he would pay the proceeds to CSC.

To protect CSC against the possibility that Estes, who had contracted with CSC individually, might try to avoid his obligations to CSC by purchasing his ammonia or operating his grain storage business through a partnership or corporation or other entity controlled by Estes, the Master Agreement provided that all such entities owned or controlled by Estes would enter into ammonia purchase agreement with CSC (with payment guaranteed by Estes) and that if any such entities should acquire grain terminals in Floyd or Hale counties the proceeds thereof would be assigned as additional security to CSC.

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3. The first Master Agreement, and the first Fertilizer Agreement, were in effect for only about a year. Estes' ammonia requirements greatly exceeded CSC's expectations, and his indebtedness to CSC increased so rapidly that by November, 1959 he owed CSC almost \$3,000,000 on open account in addition to the \$900,00 evidence by notes. New negotiations were then initiated with Estes, which resulted in the execution of the Revised Master Agreement dated as of December, 1959 and the Amended Fertilizer Agreement effective as of November 1, 1959, which have since then remained in effect.

Under the Amended Fertilizer Agreement, CSC agreed to sell and Estes agreed to buy 24,000 tons of ammonia per year, provided that Estes was not obligated to purchase more than his requirements but was in any event required to purchase not less than 10,000 tons per year. The price was CSC's published scheduled price at the time of each delivery, subject to CSC's standard freight equalization pricing policies, and further subject to a meeting-competition provision. Estes' open line of credit was increased from the original \$500,000 to an amount determined by formula, which in practice was expected to be \$2,500,00 plus amounts accrued (and payable to CSC) through the close of the preceding month under Estes' CCC contract. (5% interest was payable on material not paid for by the close of the month following the month of sale.) The agreement provided that it would continue in effect through June 30, 1964 and thereafter until cancelled on any June 30 on at least 4 year notice.

As noted in the attached schedule, the tonnage of ammonia actually purchased by Estes from CSC was 34,549 tons in 1959, 25,903 tons in 1960 and 36,018 tons in 1961.

NY 87-26066

The general philosophy of the security provisions of the 1958 Master Agreement was carried over in the 1959 Revised Master Agreement, except that further security was added to support the larger line of credit.

In September, 1959, Estes had given CSC a Deed of Trust covering the Plainview terminal which he had recently purchased. In November, 1959, he gave CSC a Deed of Trust covering his newly purchased Newman and Olton terminals and the twelve tracts of land as to which he had previously given CSC only a contractual commitment.

Estes renewed his assignment of accounts receivable to CSC, including his agreement to mark his books, maintain on file a valid, current Notice of Assignment under the Texas statutes, turn over to CSC all proceeds of assigned accounts and deliver to CSC proper Assignment and Notices of Assignments in respect to CCC receivables. As additional security, Estes gave CSC a chattel mortgage on his inventory of ammonia purchases from CSC.

4. Estes' indebtedness to CSC continued to increase, but the volume of the CCC payments made directly to CSC also increased and in 1960 and 1961 almost equaled the amount due CSC on Estes' new purchases of ammonia. Additional security continued to be given CSC as required under the Revised Master Agreement.

In March, 1960, CSC obtained from Estes a new Deed of Trust renewing CSC's liens under the Deed of Trust and Chattel Mortgage each dated November 25, 1958, and the Deed of Trust dated September 10, 1959. The new Deed of Trust contained somewhat broader provisions than did the prior documents. Further, it

NY 87-26066

utilized the new form which was thereafter used for Deeds of Trust from Estes to CSC: each Deed of Trust was executed substantially in duplicate, with the first one being strictly limited in its coverage in the hope of taking priority over Federal tax liens, and the second one being broad in scope.

In June, 1960, Estes sent CSC a promissory note for \$900,000 with payment guaranteed by Superior Manufacturing Company, secured by chattel mortgages on 1,256 1,000-gallon tank-trailers.

In June, 1960, Estes entered into a new CCC contract, and payments thereunder were duly assigned to CSC.

In August, 1960, Estes gave CSC twin Deeds of Trust on terminals purchased by him in Floyd and Swisher Counties. Also in August, 1960, he gave CSC twin Deeds of Trust on a terminal purchased by him in Briscoe County.

As Estes' newly purchased terminals were placed under his CCC contract (so that CSC received payment for all grain stored therein), CSC was in several instances asked and agreed to release to the sellers certain of the CCC proceeds thus received by CSC. On several occasions, Estes asked that specific small tracts be released from CSC's Deeds of Trust, and such releases were occasionally granted.

During the years of their relationship, Estes on numerous occasions proposed various different arrangements with CSC, most of which involved the extension of additional credit by CSC to Estes.

NY 87-26066

For example, in June, 1961, Estes proposed that he and CSC enter into a joint venture (probably utilizing a jointly owned corporation to be formed) for the production and sale of fertilizers and the operation of grain storage terminals in Texas. After thoroughly considering the matter, CSC declined the proposal.

In January, 1962, Estes asked CSC to increase his credit line to \$10,000,000 or \$20,000,000, with additional collateral to be furnished by Estes. CSC declined this proposal, also, but did agree informally that if Estes was at any time in a tight cash position CSC would consider advancing him funds on a short-term basis with additional collateral. In February, 1962, Estes asked for a short-term loan of \$400,000. CSC sent him a check in that amount on February 28, and received his 90-day promissory note, and, on March 21, Estes sent CSC six additional Deeds of Trust and a Collateral Pledge Agreement."

He also furnished the summary of account for period May, 1958 to March 31, 1962, which reflected the amount of sales and collections:

"BILLIE SOL ESTES
SUMMARY OF ACCOUNT
PERIOD MAY 1958 THROUGH MARCH 31, 1962

Invoiced at Schedule for Sales:

Anhydrous Ammonia	\$11,400,117.77
Hi-D Ammonium Nitrate	382,795.30
Nitrogen Solutions	188,247.72
	<hr/> 11,971,160.82

NY 87-26066

Involved Charges For:

Interest on Notes and Accounts Receivable	\$614,493.45
Tank Car Detention	66,536.00
Miscellaneous - Legal Expenses paid for Billie Sol Estes Account	<u>4,176.52</u>
	12,656,366.79

Less: Credit Memorandum issued for competitive handling allowances, material left in returned tank cars	\$602,617.50
---	--------------

Net Charges	12,053,749.29
-------------	---------------

Less: net Collections (Per attached)	6,384,738.96
--------------------------------------	--------------

Receivable at 3/31/62	<u>5,669,010.33</u>
-----------------------	---------------------

Notes Receivable (Schedule attached)	940,000.00
--------------------------------------	------------

Accounts Receivable	<u>4,729,010.33</u>
	<u>\$5,669,010.33 "</u>

It is noted that the schedule attached to the above summary reflected that total payments of \$7,601,374.74 were received from the Commodity Credit Corporation and out of this \$1,259,018.75 was credited to other accounts. \$625,000 of this was credited against cash given ESTES by Commercial Solvents Corporation.

NY 87-26066

He further advised that the payments from
Commodity Credit Corporation were the only payments
received by Commercial Solvents Corporation and that
they had never received any storage payments from farmers
who stored grain in the ESTES controlled elevators.

FEDERAL BUREAU OF INVESTIGATION

Date 5/3/62

[redacted]
Commercial Solvents Corporation, 260 Madison Avenue,
New York, New York, advised that he was with [redacted]
when they went to Pecos, Texas, and that the material
furnished by [redacted] is all the material that
was taken by any representatives of the Commercial
Solvent Corporation.

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He advised that he has no information to
indicate any connection BILLIE SOL ESTES might have had
with any member or employee of the United States Government.

On 5/1/62 at New York, New York File # NY 87-26066

by SAS [redacted] date dictated 5/3/62
[redacted] ath

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of the FBI. It is the property of the FBI and is loaned to
your agency; it and its contents are not to be distributed
outside your agency.

FEDERAL BUREAU OF INVESTIGATION

Date 5/3/62

[redacted] Commercial Solvents Corporation, advised that he had made a number of trips to Texas to inspect the property and inventories of BILLIE SOL ESTES. He advised that he has contacted him on a number of occasions, however, all of his contacts had been of a business nature and BILLIE SOL ESTES, as far as he knows has never made any payments to any officers or employees of the United States Government nor does he have any information of any gratuities that BILLIE SOL ESTES might have given.

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He advised that all of his business dealings were actually handled by [redacted] or by the Sales People, [redacted]

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On 5/2/62 at New York, New York File # NY 87-26066

by SA [redacted] /ath date dictated 5/3/62

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Date 5/4/62

[redacted] Commercial Solvent Corporation, advised a check of the records of Commercial Solvents Corporation reflects that neither ESTES nor any of his associates ~~are~~ holders of record of any stock in the Commercial Solvent Corporation at the present time. He further advised that he would cause a check to be made of the records of former holders of record of stock of Commercial Solvent Corporation and if any record is located reflecting that ESTES or his associates own stock, he will immediately advise the interviewing agent.

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[redacted] made available a copy of Commercial Solvents Corporation Annual Report of 1961, which reflected the current Officers and Board of Directors.

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WALTER C BERGER
[redacted]

On 5/3/62 at New York, New York File # 87-26066

BY [redacted] /kxk Date dictated 5/4/62

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NY 87-26066



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MAYNARD C. WHEELER*

*Member of Executive Committee

COMMERCIAL SOLVENT CORPORATION

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
MAY 9 1962

TELETYPE

Mr. Tolson _____
Mr. Belmont _____
Mr. Mohr _____
Mr. Callahan _____
Mr. Conrad _____
Mr. DeLoach _____
Mr. Evans _____
Mr. Malone _____
Mr. Rosen _____
Mr. Sullivan _____
Mr. Tavel _____
Mr. Trotter _____
Tele. Room _____
Miss Holmes _____
Miss Gandy _____

URGENT 5-9-62 2-50 PM MST IJP

TO - DIRECTOR, FBI, ATTENTION - GENERAL INVESTIGATIVE DIVISION,
AND SAC, WASHINGTON FIELD
FROM - SAC, EL PASO "58-59" 2-PAGES

BILLIE SOL ESTES, AKA, ET. AL., BRIBERY, CONFLICT OF INTEREST.

REMYTEL MAY EIGHT, LAST, RE TELEPHONE TOLL CALLS FROM ESTES-
PECOS PHONE. FOLLOWING INFORMATION SUPPLIED TO WASHINGTON FIELD
WITH LEAD.

Not known
JANUARY FOURTEEN FROM NUMBER THREE THREE ONE SEVEN TO ANYONE
AT EX THREE DASH TWO TWO ONE SIX, WASHINGTON, D. C., FILING TIME TWO
ELEVEN A. M. FOR THREE MINUTES.

known
FEBRUARY ONE FROM ESTES AT NUMBER TWO FIVE ZERO SEVEN TO JACOBS
AT RE TWO DASH FOUR ONE FOUR TWO, EXTENSION THREE FOUR ONE FIVE,
WASHINGTON, D. C., FILING TIME SEVEN ZERO NINE P. M. FOR TWELVE
MINUTES.

Morris
FEBRUARY TWO FROM ESTES AT TWO FIVE ZERO SEVEN TO BILL MORRIS
AT DU EIGHT DASH SEVEN ZERO FOUR THREE, WASHINGTON, D. C., FILING
TIME EIGHT FORTY A. M. FOR FIFTEEN MINUTES.

not known
FEBRUARY FOURTEEN FROM TWO FIVE ZERO SEVEN TO KELLY AT AD TWO
DASH SEVEN SEVEN ZERO ZERO, EXT. FIVE THREE EIGHT, WASHINGTON, D. C.,
FILING TIME TEN ZERO FIVE P. M. FOR TWO MINUTES.

67 MAY 14 1962

END PAGE ONE

TWO COPIES WFO

cc: *El Paso*

6-File
Incl. in L.A. & Dept. files

REC-104

44-2704-235

25 MAY 10 1962

PAGE TWO

Morris FEBRUARY SIXTEEN FROM ESTES AT TWO FIVE ZERO SEVEN TO MC LEAN, VIRGINIA, ZONE SEVEN, WASHINGTON D. C., NUMBER EL SIX DASH FOUR FIVE TWO ONE, FILING TIME TEN THIRTY P. M. FOR THREE MINUTES.

Morris FEBRUARY EIGHTEEN FROM TWO FIVE ZERO SEVEN TO MC LEAN, VIRGINIA, EL SIX DASH FOUR FIVE TWO ONE, FILING TIME, TWO FOURTEEN P. M. FOR NINETEEN MINUTES.

Ralph APRIL THIRTEEN FROM ESTES AT PAY PHONE NUMBER TWO SEVEN ONE TWO AT BALMORHEA, TEXAS, PERSON TO PERSON TO DR. JAMES RALPH, MC LEAN, VIRGINIA, TELEPHONE NUMBER EL SIX DASH SEVEN TWO TWO ONE. CALLER PAID ONE DOLLAR AND UNKNOWN BALANCE OF THE TEN MINUTE CALL CHARGED TO EL SIX DASH SEVEN TWO TWO ONE. FILING TIME SHOWN AS FOUR ZERO FIVE AM CST.

WASHINGTON FIELD IS REQUESTED TO IDENTIFY THE NUMBERS OF THE SUBSCRIBERS CALLED AS SET FORTH ABOVE AND ADVISE BUREAU AND EL PASO. DALLAS ADVISED BY AIR MIAL.

ESTES MAY HAVE SUICIDAL TENDENCIES.

END AND ACK PLS

5-59 PM OK FBI WA RAC

TU DISC

JK

5/9/62

PLAIN TEXT

TELETYPE

URGENT

TO SAC NEW YORK

FROM DIRECTOR FBI

BILLIE SOL ESTES, AKA, ET AL., ITSP; BRIBERY.

THE DEPARTMENT HAS REQUESTED THAT NO FURTHER INTERVIEWS
BE CONDUCTED WITH OFFICIALS OF COMMERCIAL SOLVENTS COMPANY
PENDING FURTHER REVIEW OF MATERIAL RECEIVED TO DATE IN INSTANT
MATTER. ONE COPY BY MAIL TO EL PASO, DALLAS AND WFO.

- 1 - EL PASO (29-351)
- 1 - DALLAS (58-188)
- 1 - WFO (87-8242)

FDT:bm
(6)

[Handwritten signature]

6-7-62

*This conversation
should be
confirmed with
the Dept.*

*already doing
[initials]*

REC-104

28704-236

25 MAY 10 1962

U.S. DEPT. OF JUSTICE
F.B.I.

REC-104

- Tolson _____
- Belmont _____
- Mohr _____
- Callahan _____
- Conrad _____
- DeLoach _____
- Evans _____
- Malone _____
- Rosen _____
- Sullivan _____
- Tavel _____
- Winter _____
- Tele. Room _____
- Holmes _____

MAILED 10 2 21 PM '62

RECEIVED

[Handwritten initials]

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COMMUNICATIONS SECTION
MAY 9 1962

TELETYPE

56

67 MAY 11 1962

MAIL ROOM ☐ TELETYPE UNIT ☐

4-49-183

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
MAY 9 1962

TELETYPE *SD*

URGENT 5-9-62 4-49 PM DA

TO SAC NEW YORK /9/

FROM DIRECTOR 1P

BILLIE SOL ESTES, AKA, ET AL., ITSP, BRIBERY.

THE DEPARTMENT HAS REQUESTED THAT NO FURTHER INTERVIEWS
BE CONDUCTED WITH OFFICIALS OF COMMERCIAL SOLVENTS COMPANY
PENDING FURTHER REVIEW OF MATERIAL RECEIVED TO DATE IN INSTANT
MATTER. ONE COPY BY MAIL TO EL PASO, DALLAS AND WFO.

END & ACK PLS

WA R 9 NY JAA

May 9, 1962

BILLIE SOL ESTES

The following information has been received which may be of interest to you in captioned matter.

On May 2, 1962, information was confidentially received to the effect that on February 18, 1962, a telephone call was made from the residence of Dr. James T. Ralph, 5922 Seacliff Road, McLean, Virginia, telephone 356-7221 (formerly EL 6-7221), to Pecos, Texas, telephone 445-3317, which is the residence telephone number of Billie Sol Estes.

On December 21, 1961, two telephone calls were made to Pecos, Texas, telephone number 445-3317, from the residence of William E. Morris, 3806 Basil Road, McLean, Virginia, telephone 356-4521 (formerly EL 6-4521).

Information has been confidentially received that no incoming collect calls were made to the residence of Estes in Pecos, Texas, from Washington, D. C., or any city in Virginia, since January 14, 1962. A telephone call was made on February 1, 1962, from Pecos telephone number 445-2507 listed to Estes, to one Jacobs at RE 2-4142, extension 3415, Washington, D. C., at 7:09 p. m., and the conversation lasted for twelve minutes. Pecos telephone number 445-2507 is another residence telephone number for Billie Sol Estes.

On February 2, 1962, a telephone call was made from Pecos telephone number 445-2507, listed to Estes, to Bill Morris at DU 8-7043, Washington, D. C., for fifteen minutes at 8:40 a. m.

On February 16, 1962, a telephone call was made from Pecos telephone number 445-2507, listed to Estes, to McLean, Virginia, Washington, D. C., telephone number EL 6-4521, listed to William E. Morris, for three minutes at 10:30 p. m. Another call was made on February 18, 1962, from Pecos telephone number 445-2507, to McLean, Virginia, telephone EL 6-4521, at 2:14 p. m., for nineteen minutes.

MAIL ROOM ☐ TELETYPE UNIT ☐
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Tolson _____
Belmont _____
Mohr _____
Callahan _____
Conrad _____
DeLoach _____
Evans _____
Malone _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

67 MAY 14 1962

2-19-62
5/9/62
FDT:lmclige

237

67

BILLIE SOL ESTES

On April 13, 1962, a call was made from Estes at a pay telephone, number 2712, at Ealmorhea, Texas, person to person, to Dr. James Ralph, McLean, Virginia, telephone number EL 6-7221. The caller paid \$1.00 and an unknown balance of the ten-minute call was charged to EL 6-7221. This call was made at 4:05 a. m., Central Standard Time.

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
MAY 9 1962

TELETYPE

Mr. Tolson	_____
Mr. Belmont	_____
Mr. Mohr	_____
Mr. Callahan	_____
Mr. Conrad	_____
Mr. DeLoach	_____
Mr. Evans	_____
Mr. Malone	_____
Mr. Rosen	_____
Mr. Sullivan	_____
Mr. Tavel	_____
Mr. Trotter	_____
Tele. Room	_____
Miss Holmes	_____
Miss Gandy	_____

URGENT 5-8-62 11-24 PM MST RAR

TO DIRECTOR, FBI

FROM SAC, EL PASO 2 P

BILLIE SOL ESTES, AKA. ET AL, BRIBERY, CONFLICT OF INTEREST. REBUTEL
MAY EIGHT SIXTYTWO RE TELEPHONE TOLL CALLS.

RECORDS WEST TEXAS COMMUNICATION CORP. AT PECOS, TEXAS REVEAL
TELEPHONES FOUR FOUR FIVE - TWO FIVE ZERO SEVEN, THREE THREE ONE SEVEN
AND FIVE SEVEN ZERO SEVEN ASSIGNED TO SUBJECT AT HIS RESIDENCE.

DETAILED REVIEW OF RECORDAK FILM COVERING TOLL CHARGES FOR PERIO
JANUARY FOURTEEN LAST THRU PRESENT TIME MADE. NO INCOMING COLLECT
CALLS TO ESTES RECEIVED DURING THIS PERIOD FROM EITHER WASHINGTON,
D. C. OR ANY CITY IN VIRGINIA. SPECIFIC EMPHASIS GIVEN TO FEBRUARY
EIGHTEEN LAST WITH NEGATIVE RESULTS. FOLOWING TOLL CHARGES NOTED
DURING PERIOD CHECKED,

JANUARY FOURTEEN FROM NUMBER THREE THREE ONE SEVEN TO ANYONE
AT EX THREE - TWO TWO ONE SIX, WASH., D. C. , FILING TIME TWO ELEVEN
A.. M. FOR THREE MINUTES.

FEBRUARY ONE FROM ESTES AT NUMBER TWO FIVE ZERO SEVEN TO JACOBS
AT RE TWO - FOUR ONE FOUR TWO, EXTENSION THREE FOUR ONE FIVE, WASH.,
D. C., FILING TIME SEVEN ZERO NINE PM FOR TWELVE MINUTES.

END PG ONE

REC-104

6-700

67 MAY 10 1962

67 MAY 11 1962

PAGE TWO

FEBRUARY TWO FROM ESTES AT TWO FIVE ZERO SEVEN TO BILL MORRIS AT
DU EIGHT - SEVEN ZERO FOUR THREE, WASH., D. C. FILING TIME EIGHT
FORTY AM FOR FIFTEEN MINUTES.

FEBRUARY FOURTEEN FROM TWO FIVE ZERO SEVEN TO KELLY AT AD TWO-
SEVEN SEVEN ZERO ZERO, EXT. FIVE THREE EIGHT, WASH., D.C, FILING
TIME TEN ZERO FIVE PM FOR TWO MINUTES.

FEBRUARY SIXTEEN FROM ESTES AT TWO FIVE ZERO SEVEN TO MC LEAN,
VIRGINIA, ZONE SEVEN, WASH., D.C., NUMBER EL SIX-FOUR FIVE TWO ONE,
FILING TIME TEN THIRTY PM FOR THREE MINUTES.

FEBRUARY EIGHTEEN FROM TWO FIVE ZERO SEVEN TO MC LEAN, VIRGINIA,
EL SIX-FOUR FIVE TWO ONE, FILING TIME, TWO FOURTEEN PM FOR NINETEEN
MINUTES.

APRIL THIRTEEN FROM ESTES AT PAY PHONE NUMBER TWO SEVEN ONE TWO
AT BALMORHEA, TEXAS, PERSON TO PERSON TO DOCTOR JAMES RALPH, MCLEAN,
VIRGINIA, TELEPHONE NUMBER EL SIX-SEVEN TWO TWO ONE. CALLER PAID
ONE DOLLAR AND UNKNOWN BALANCE OF THE TEN MINUTE CALL CHARGED TO
EL SIX-SEVEN TWO TWO ONE. FILING TIME SHOWN AS FOUR ZERO FIVE AM
CST.

INVESTIGATION CONTINUING AT PHONE COMPANY IN PECOS TO COVER
CALENDER YEAR NINETEEN SIXTYONE.

ESTES MAY HAVE SUICIDAL TENDENCIES.

END AND ACK PLS

2-35 AM OK FBI WA JS

TU DISC PLS V

The Attorney General

May 9, 1962

Director, FBI

**BILLIE SOL ESTES
INTERSTATE TRANSPORTATION
OF STOLEN PROPERTY - BRIBERY**

1 - Mr. Belmont
1 - Mr. Rosen
1 - Mr. Malley
1 - Mr. Welte
1 -

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b7C

This is to advise you of further rumors received in connection with an airplane owned by Vice President Lyndon Johnson. The rumor is to the effect that Brown and Root owned Vice President Johnson's plane. Brown and Root is a Houston Company which reportedly has numerous Government contracts and allegedly has supported the Vice President very strongly.

We had previously received information concerning this plane and you were advised by letter dated April 19, 1962, that on April 18, 1962, Mr. Walter Jenkins, Executive Assistant to the Vice President, was advised that an allegation had come to our attention during the course of our investigation of Billie Sol Estes indicating that Estes had given the Vice President a twin-engine plane. It was also indicated this plane was later involved in a crash which killed the pilot and copilot. In the Vice President's absence, Mr. Jenkins advised that the twin-engine plane in question cost approximately \$225,000 and was ordered and paid for by the then Senator Johnson. He stated that the insurance money received as a result of the plane crash allowed the Vice President to complete total payments for the plane. Mr. Jenkins wanted to make it clear that the Vice President had not known Estes at the time the plane was purchased.

After the initial interview, Mr. Jenkins telephoned Mr. C. D. DeLoach at the Bureau and stated that he and the Vice President would like to see Mr. DeLoach again in connection with this matter. An appointment was made but when Mr. DeLoach arrived the Vice President was again absent and Mr. Jenkins spoke for him. Mr. Jenkins said that the Vice President desired to make it a matter of record that anyone who had put out a malicious rumor or lie of this nature should be considered for prosecution. With reference to ~~the plane~~ Mr. Jenkins stated that it was purchased from Brazos-Tenth Street Corporation, Austin, Texas.

1 - Mr. Evans
1 - Mr. Mohr
1 - Mr. DeLoach

GEB:kak (13)

Tolson _____
Belmont _____
Mohr _____
Callahan _____
Conrad _____
DeLoach _____
Evans _____
Malone _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

MAIL ROOM ☐ TELETYPE UNIT ☐

67 MAY 1 1962

22 MAY 10

REC-58

29-28964-239

The Attorney General

Our San Antonio Office has advised of rumors received through an attorney who has requested his identity be protected. He stated that rumors exist to the effect that Brown and Root were the actual owners of the Lyndon Johnson airplane and therefore the insurance check which was issued to cover the destruction of the airplane has never been claimed.

No inquiries have been made and no investigation will be conducted by this Bureau in this matter in the absence of a specific request.

1 - The Deputy Attorney General

1 - Mr. Herbert J. Miller, Jr.
Assistant Attorney General

5/7/62

Airtel

REC-53

29-2870-240

EX-104

To: SAC, WFO

From: Director, FBI

Subject: BILLIE SOL ESTES
ITSP; BRIBERY

Attached is a copy of a request from the Department. WFO should contact the General Counsel's Office and determine the nature and number of records.

Determine if General Counsel has knowledge of similar investigation by ITS or any other Agency; unless this would be a duplication of investigation with another agency, this investigation should be immediately instituted. Advise Bureau if this will be a duplication of efforts.

Enclosure

1 - Dallas (Enclosure)

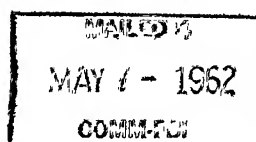
1 - El Paso (Enclosure)

TWC/jms

(6)

Tolson _____
Belmont _____
Mohr _____
Callahan _____
Conrad _____
DeLoach _____
Evans _____
Malone _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

MAIL ROOM ☐ TELETYPE UNIT ☐



Memorandum

TO : Director, Federal Bureau of Investigation

DATE:

May

FROM : Herbert J. Miller, Jr., Assistant Attorney General, Criminal Division

HJM:RDM:
29-76-334

SUBJECT: Billie Sol Estes
Interstate Transportation of Stolen Property;
Bribery

Mr. Tolson ✓
Mr. Belmont ✓
Mr. Mohr ✓
Mr. Callahan ✓
Mr. Conrad ✓
Mr. DeLoach ✓
Mr. Evans ✓
Mr. Malone ✓
Mr. Rosen ✓
Mr. Sullivan ✓
Mr. Tavel ✓
Mr. Trotter ✓
Tele. Room ✓
Miss Holmes ✓
Miss Gandy ✓

It is requested that your agents secure from the Department of Agriculture, Washington, D.C. all financial statements and related documents filed by Estes with the Department of Agriculture in connection with his activity as a grain warehouseman and conduct an accounting investigation of the financial statements to determine their correctness or falsity.

The financial statements and other documents are in the hands of the General Counsel, Department of Agriculture.

REC- 53
EX-105

29-28704

EXP. PROC.

MAY 4 1962

- 1 - Mr. Belmont
- 1 - Mr. Rosen
- 1 - Mr. Malley
- 1 - Mr. Welte
- 1 - Mr. Curran

May 8, 1962

BY LIAISON

REC'D-READING ROOM
FBI

MAY 9 5 37 PM '62

The Honorable Orville L. Freeman
The Secretary of Agriculture
Washington 25, D. C.

My dear Mr. Freeman:

William E. Morris, who as a result of administrative action by your Department is being discharged from his position effective May 18, 1962, has through his [redacted] refused to be interviewed by the FBI. We received a request from the Department of Justice to interview Morris concerning statements he made before a Department of Agriculture hearing on Monday, April 30, 1962.

Morris appeared at a Veterans Preference hearing held by the Department of Agriculture. Procedures were such that no cross-examination was conducted and Morris and/or his attorney made many comments which were not the subject of further questioning. Some results of the hearing were made part of a summary and there was no transcript of the entire proceedings.

The summary was confined to material pertinent to the hearing and only contains one allegation by Morris. The summary states, "He met Congressman Andersen at the latter's request at 4:00 p.m. on Saturday, April 14, 1962, at the Rosslyn Hot Shoppe, at which time Andersen continued to urge that since the matter of the trip to Texas had not been brought out Mr. Morris not reveal it."

Assistant General Counsel [redacted] Department of Agriculture, took a series of notes which were not included in the summary. He was interviewed and pointed out that he took the notes under considerable difficulty since Morris was a very fast talker. [redacted] is maintaining his notes in this matter.

- 1 - Mr. DeLoach
- 1 - Mr. Evans

Note cover memo dated May 10, 1962 Belmont 5/4/62 TWC:ige

TWC:kak

MAY 15 1962
MAIL ROOM TELETYPE UNIT

- Tolson
- Belmont
- Mohr
- Callahan
- Conrad
- DeLoach
- Evans
- Malone
- Rosen
- Sullivan
- Tavel
- Trotter
- Tele. Room
- Holmes
- Gandy

b6
b7C

b6
b7C

Mr. Orville L. Freeman

[redacted] notes showed the following material concerning allegations by Morris and/or his attorney. b6 b7C

Morris stated that he received a telephone call on Thursday, April 12, 1962, from Congressman Jamie Whitten, who indicated that Congressman George Mahon of Texas was disturbed lest Morris reveal that Mahon had relations with Estes.

Morris stated that [redacted] in Senator Yarborough's office contacted Morris and asked him to please not mention "our" connection with Estes. b6 b7C

Morris said that there was a Congressman, name not divulged, who had asked Morris to check on the status of his printing that he was having Estes do. This was at the time that Morris was on a trip to Texas with Congressman Andersen. Morris said that if he had gone to Texas (meaning to appear before the Texas Board of Inquiry) he would have had to say that Yarborough and Rutherford pressured on the cotton deal; that he would have had to say that Estes purchased a thousand dollars worth of tickets for Democratic dinners. [redacted] said that Morris may have said the purchase of tickets was from Vice President Johnson's office and that later [redacted] Morris' attorney, said that he, Morris, did not want to say that Estes got money from the Vice President's office. b6 b7C

Morris used the name of Edmondson as an individual who had contacted him by telephone to request him not to reveal that any pressure in the Estes matter had been exerted by Edmondson.

Since the above information was obtained from your Department and has been forwarded to the Department of Justice, it was thought you would desire to know of the material contained herein.

Sincerely yours,

Mr. Herbert J. Miller, Jr.
Assistant Attorney General

May 8, 1962

b6
b7C

Director, FBI

1 - Mr. Belmont
1 - Mr. Rosen
1 - Mr. Malley
1 - Mr. Welte
1 - [redacted]

BILLIE SOL ESTES
INTERSTATE TRANSPORTATION OF
STOLEN PROPERTY - BRIBERY

This will acknowledge a request from [redacted] of the Criminal Division to a Special Agent of this Bureau to review certain bank accounts of Billie Sol Estes.

b6
b7C

[redacted] requested that all bank accounts for Estes or for any of his known enterprises be checked for the period from January 1, 1959, through April 30, 1962. He stated he was interested in possible corruption in Government and any large, unusual withdrawals, particularly a possible \$40,000 withdrawal shortly before the last Presidential Inauguration. [redacted] requested a "transcript of the bank accounts." It was requested that the following banks be checked:

b6
b7C

The First National Bank at Pecos, Texas;
Security State Bank, Pecos, Texas;
Midland National Bank, believed to be in
Midland, Texas;
First National Bank of Sudan, Sudan, Texas;
Hale County State Bank, believed to be in
Plainview, Texas.

MAY 8 4 31 PM '62
REC'D-READING ROOM
FBI

[redacted] stated that Estes or his enterprises may have other bank accounts which are unknown to him at this time and stated he had determined that Estes went into bankruptcy in El Paso, Texas, and if this is true, requested the referee, receiver or trustee or all three be contacted to determine if they have any books or records showing bank accounts for Estes and that these bank accounts be checked.

b6
b7C

This information will be obtained and you will be advised.

1 - Mr. DeLoach

1 - Mr. Ryans

GEB:lmc

62 MAY 14 1962 TELETYPE UNIT

MAILED 4
MAY 8 - 1962
COMM-FBI

19 MAY 9 1962

Tolson
Belmont
Mohr
Callahan
Conrad
DeLoach
Evans
Malone
Rosen
Sullivan
Tavel
Trotter
Tele. Room
Holmes
Gandy

FA
Mr. Herbert J. Miller, Jr.
Assistant Attorney General

May 9, 1962

Director, FBI

①
BILLIE SOL ESTES
INTERSTATE TRANSPORTATION
OF STOLEN PROPERTY - BRIBERY

[] This is to advise that pursuant to the request of []
[] of the Criminal Division of the Department we have secured
the transcript of the hearings held by Texas Attorney General Wilson
and these were delivered early this morning to [] of
the Criminal Division of the Department. There were a total of six
volumes.

b6
b7C

WBW:jh
(8)



REC- 18

29-28704-243

50 MAY 15 1962

19 MAY 10 1962

Tolson _____
Belmont _____
Mohr _____
Callahan _____
Conrad _____
DeLoach _____
Evans _____
Malone _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

MAIL ROOM ☐ TELETYPE UNIT ☐

REC'D MAY 10 1962

UNITED STATES GOVERNMENT

Memorandum

TO : The Director

DATE: 5/9/62

FROM : N. P. Callahan

SUBJECT: The Congressional Record

HOUSE

Page 7348, Congressman Becker, (R) New York, spoke concerning the Billie Sol Estes case. Mr. Becker pointed out that President Kennedy was quick to crack down on the steel industry and he was wondering whether the President would have the Attorney General crack down on the Secretary of Agriculture. Mr. Becker went on to state "I also noticed we do not seem to have much action in the prosecution of Communists, who failed to register under the law, by the Attorney General. This seems to be drifting on and I wonder just what kind of action our Attorney General is going to take on these matters which I think are of great interest to the Nation and to this Congress."

Original filed in. 100-31-2122

129-2A704-
NOT RECORDED
191 MAY 17 1962

In the original of a memorandum captioned and dated as above, the Congressional Record for 5/8/62 was reviewed and pertinent items were marked for the Director's attention. This form has been prepared in order that portions of a copy of the original memorandum may be clipped, mounted, and placed in appropriate Bureau case or subject matter files.

51 MAY 23 1962

F B I

Date: 4/30/62

Transmit the following in PLAIN TEXT
(Type in plain text or code)Via AIRTEL AIR MAIL
(Priority or Method of Mailing)TO: DIRECTOR, FBI (29-28704)
Attention: Mr. W. B. Welte, Jr.

SAC, DALLAS (58-188)

RE: BILLIE SOL ESTES, ET AL
BRIBERY; CONFLICT OF INTEREST

OO: Dallas

Re Bureau telephone call and Dallas teletype, 4/30/62.

Enclosed herewith is an article from "The Dallas Times Herald", 4/30/62, entitled "Broad U. S. Grand Jury Indicated."

LYNUM

③ - Bureau (Enc 1)
1 - Dallas
COL:mfr
(4)

ENCLOSURE

C. C. Wick

REC-48

EX-114

MAY 1 1962

50 MAY 15 1962

Approved: _____ Sent _____ M Per _____
Special Agent in Charge

BROAD U.S. GRAND JURY INQUIRY INDICATED

By JOE SHERMAN
Staff Writer

Speculation that a current federal grand jury would range farther than originally indicated was given impetus Monday with the disclosure of a letter filed with the U.S. district clerk by U.S. Justice Department attorneys

Thomas McKeon and Robert Pelouquin.

The letter, which is an authorization for the men to serve as special attorneys in assisting the grand jury, reveals the men are part of the Organized Crime section of the department—a section not ordinarily called in even on

criminal investigations, unless such cases involve far-ranging and widespread connections.

The letter is from Nicholas Katzenbach, acting deputy attorney general of the United States, and says:

"The department is informed that various persons, companies, corporations, firms, associations and organizations . . . have violated, in the Northern District of Texas and in other judicial districts, the embezzlement, false

statements, banking, perjury, mail fraud by wire and racketeering laws and the Labor-Management Relations Act of 1947 and have violated other criminal laws of the United States and have conspired to commit all such offenses, and to defraud the United States."

The grand jury, which could stay in session as long as 18 months and which could also appoint or hire its own investigators, was originally believed to be concerned mainly with routine federal cases and particularly the Billie Sol Estes case. Later it was rumored the jury would look into the alleged bribe-taking of South-

west Conference basketball referees and certain affairs of the Teamsters Union.

A source close to the federal district attorney's office here told The Times Herald the current grand jury "may go for some split time and hold other sessions."

Observers also said the wording of the letter involving labor and management makes the Teamster investigation "almost certain," as well as opening the possibility of investigation of cases involving connections in other states.

"The Dallas Times Herald"
Dallas, Texas

4-30-62

Felix R. McKnight,
Executive Editor

Submitted by Dallas Office

ENCLOSURE

97-25704 -

244

5/10/62

PLAIN TEXT

TELETYPE

URGENT

TO SACS EL PASO
DALLAS
WASHINGTON FIELD

✓ FROM DIRECTOR FBI

BILLIE SOL ESTES, INTERSTATE TRANSPORTATION OF STOLEN
PROPERTY DASH BRIBERY.

RE WFO TELETYPE MAY NINE, NINETEEN SIXTYTWO. EL PASO
AND DALLAS EXPEDITE CONTACT WITH IRS AND SUTEL WFO
IMMEDIATELY. WFO THEREAFTER INSTITUTE EXAMINATION REQUESTED
BY DEPARTMENT.

TWC: kak
(3)

REC-49

COMMUNICATIONS SECTION
MAY 10 1962

TELETYPE

29-287-243
19 MAY 10 1962

Tolson _____
Belmont _____
Mohr _____
Callahan _____
Conrad _____
DeLoach _____
Evans _____
Malone _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

MAIL ROOM ☐ TELETYPE UNIT ☐

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
MAY 10 1962

TELETYPE

URGENT 5-10-62 2-18 PM DA

TO SACS EL PASO, DALLAS AND WASHINGTON FIELD
FROM DIRECTOR 1P

BILLIE SOL ESTES, INTERSTATE TRANSPORTATION OF STOLEN
PROPERTY DASH BRIBERY.

RE WFO TELETYPE MAY NINE, NINETEEN SIXTYTWO. EL PASO
AND DALLAS EXPEDITE CONTACT WITH IRS AND SUTEL WFO
IMMEDIATELY. WFO THEREAFTER INSTITUTE EXAMINATION REQUESTED
BY DEPARTMENT.

END & ACK PLS

OK FBI EP JRH

TU DISC

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
MAY 10 1962

TELETYPE *SY*

URGENT 5-10-62 2-11 PM DA

TO SACS EL PASO, DALLAS AND WASHINGTON FIELD
FROM DIRECTOR 1P

BILLIE SOL ESTES, INTERSTATE TRANSPORTATION OF STOLEN
PROPERTY DASH BRIBERY.

RE WFO TELETYPE MAY NINE, NINETEEN SIXTYTWO. EL PASO
AND DALLAS EXPEDITE CONTACT WITH IRS AND SUTEL WFO
IMMEDIATELY. WFO THEREAFTER INSTITUTE EXAMINATION REQUESTED
BY DEPARTMENT.

END & ACK PLS

OK FBI DL NW

TU DISC

PLAIN TEXT

5/10/62

TELETYPE

URGENT

TO SACS EL PASO
DALLAS

FROM DIRECTOR FBI

BILLIE SOL-ESTES, ITSP DASH BRIBERY.

IN ACCORDANCE WITH REQUEST RECEIVED FROM DEPARTMENT
THIS DATE, FURTHER EXAMINATION OF BANK RECORDS RELATING
TO ACCOUNTS OF ESTES AND HIS ENTERPRISES ARE TO BE HELD
IN ABEYANCE PENDING FURTHER INSTRUCTIONS FROM BUREAU.

FDT:kok
(3)

EX-105

REC-36

29-28204-246

MAY 11 1962

COMMUNICATIONS SECTION
MAY 10 1962

TELETYPE

Nelson _____
Belmont _____
Mohr _____
Callahan _____
Conrad _____
Loach _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

MAIL ROOM ☐ TELETYPE UNIT ☒

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
MAY 10 1962

TELETYPE

URGENT 5-10-62 11-07 PM BH *BIA*

TO SACS EL PASO & DALLAS

FROM DIRECTOR 1 P

BILLIE SOL ESTES, ITSP DASH BRIBERY.

IN ACCORDANCE WITH REQUEST RECEIVED FROM DEPARTMENT HIS DATE,
FURTHER EXAMINATION OF BANK RECORDS RELATING TO ACCOUNTS OF ESTES
AND HIS ENTERPRISES ARE TO BE HELD IN ABEYANCE PENDING FURTHER
INSTRUCTIONS FROM BUREAU.

END & ACK PLS

EP OK FBI EP ~~EP~~ RAR

DL OK FBI DL ~~DL~~ FLL

TU DSV

UNITED STATES GOVERNMENT

Memorandum

TO : Mr. Belmont

DATE: May 2, 1962

FROM : A. Rosen

SUBJECT: BILLIE SOL ESTES
INTERSTATE TRANSPORTATION OF
STOLEN PROPERTY - BRIBERY

Tolson	✓
Belmont	✓
Mohr	✓
Callahan	✓
Conrad	✓
DeLoach	✓
Evans	✓
Malone	✓
Rosen	✓
Sullivan	✓
Tavel	✓
Trotter	✓
Tele. Room	✓
Holmes	✓
Gandy	✓

This is to advise that a staff assistant of the Department of Agriculture has given information to the effect that Estes received preferential treatment by the Department of Agriculture. He also alleges that certain documents within the Department of Agriculture to which he was refused access will prove his point.

BACKGROUND

On April 19, 1962, N. Battle Hales, Staff Assistant, Office of Deputy Administrator, U. S. Department of Agriculture (USDA), was interviewed and furnished information indicating that Estes had received preferential treatment from employees of the USDA. This information was prepared in the form of a signed statement which Hales stated he would sign at a later date. When Hales was recontacted on April 20, 1962, to have him sign the statement, he had been removed from his office by USDA. Hales stated he could not sign the statement without access to certain files in the Department of Agriculture. After additional contacts on April 26, 1962, Hales read, corrected and signed the statement. At the end of the statement he added the following sentence, "However there were additional documents relating to the Estes cotton pooled allotment case which I had intended making available to Agents Shannon and [redacted] but which I was denied the opportunity to do so when the files were denied to me by USDA officials." Hales described these documents as:

b6
b7C

1. USDA General Counsel's opinion dated December 15, 1961, verifying Hales' judgment that Estes' case was a criminal violation and should have been referred to the Department of Justice.

ST-116

REC

29-28704-247

2. Memorandum dated January 31, 1962, from Emery E. Jacobs, former Deputy Administrator, State and County Operations, ASCS,* to Texas, Oklahoma and Georgia State Chairmen, which memorandum enclosed certificate to be executed by "buyers" of allotments or sellers of land in cotton pooled allotment cases.

1 - Mr. DeLoach
1 - Mr. Evans
1 - Liaison Section

CC MR. TOLSON MAY 11 1962

TWC:ejf (9) (2) (*Agricultural Stabilization and Conservation Service)

67 MAY 16 1962

Memo Rosen to Belmont
5/5/62 TWC/bjh

SIA

Memorandum to Mr. Belmont
RE: BILLIE SOL ESTES

3. Interoffice memorandum from Hales to Jacobs dated February 14, 1962, in the Dill and White case, (details of this case set forth in the report of SA Andrew J. Shannon dated April 23, 1962, pages 135-137 furnished to the Department of Justice) in which memorandum Hales pointed out nothing could be done administratively in Dill and White case until determination was made as to the over-all case concerning Estes' operations in cotton allotments.

4. Hales' memorandum requesting investigation by Investigation Division, ASCS, concerning circumstances surrounding signing of false chattel mortgages. These involved three ASCS county committee chairmen in Reeves County, Texas.

ACTION TAKEN

All information supplied by Hales has been furnished to the Department of Justice.

Secretary Freeman, Department of Agriculture, will be contacted by the WFO Agents and advised of Hales' statement as to additional information in Department of Agriculture files and the fact that we have furnished Hales' information to the Department of Justice.

The contact with Freeman will thereafter be confirmed by a letter and copy sent to the Department of Justice.

1 - Mr. Belmont
1 - Mr. Rosen
1 - Mr. Malley
1 - Mr. Welte
1 - Mr. Curran

May 8, 1962

Mr. Herbert J. Miller, Jr.
Assistant Attorney General

Director, FBI

REC-36 29-2-104-248
ELLIE SOL ESTES
INTERSTATE TRANSPORTATION OF
STOLEN PROPERTY - BRIBERY

This is to confirm the conversation between [redacted] of the Department and Special Agents Thomas W. Curran and [redacted] of this Bureau on May 7, 1962. The discussion was concerning further interview of N. Battle Hales, a Staff Assistant in the United States Department of Agriculture.

After a previous interview, Hales had advised that if furnished with additional documents which he identified he could support some of his allegations. The Department requested that we obtain the records referred to and make arrangements with the Department of Agriculture and Hales for the furnishing of additional information.

At the time of the instant discussion, the documents had been obtained and it was agreed that the following procedure would be followed in connection with the reinterview of Hales. Hales would be shown the documents and asked for a complete explanation as to how he believes they support his allegations that Estes received favorable treatment by the Department. At the conclusion of this portion of the interview, he would be questioned as to any other additional information he might have.

It was further agreed that if Hales requested access to any other specific documents that he could identify, we would obtain them and interview him on these additional documents.

However, in the event Hales requested permission to conduct an exhaustive review of voluminous files under the control of the Department of Agriculture, we would then, in accordance with the Department's request, make arrangements with the Department of Agriculture for the administrative handling of the matter.

1 - Mr. DeLoach
1 - Mr. Evans

TWC:kak:jlt (10)

MAIL ROOM TELETYPE UNIT
67 MAY 16 1962

MAY 9 11 31 AM '62

b6
b7C

MAILED 2
MAY 8 - 1962
COMM-FBI

Tolson _____
Belmont _____
Mohr _____
Callahan _____
Conrad _____
DeLoach _____
Evans _____
Malone _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

Handwritten signatures and initials, including "WBS" and "JTB".

UNITED STATES GOVERNMENT

Memorandum

TO : Mr. Belmont

DATE: May 5, 1962

FROM : A. Rosen *AR*SUBJECT: **BILLIE SOL ESTES**
INTERSTATE TRANSPORTATION OF STOLEN PROPERTY-
BRIBERY

Tolson	✓
Belmont	✓
Mohr	✓
Callahan	✓
Conrad	✓
DeLoach	✓
Evans	✓
Malone	✓
Rosen	✓
Sullivan	✓
Tavel	✓
Trotter	✓
Tele. Room	✓
Holmes	✓
Gandy	✓

This is to advise of our proposed plans for further interview of N. Battle Hales, a Staff Assistant in the U. S. Department of Agriculture (USDA). Hales presents an investigative problem in that it is obvious that he is a disgruntled, malcontent who is making everything he has or suspects available to the press at every possible opportunity.

BACKGROUND:

On April 19, 1962, Hales was interviewed by our Agents and furnished information indicating that Estes had received preferential treatment from employees of the USDA. This information was prepared in the form of a signed statement which Hales stated he would sign at a later date. He was recontacted periodically but stated that he had been denied access to certain files in the Department of Agriculture. On April 26, 1962, Hales read, corrected and signed the statement. At the conclusion of the statement he added a paragraph which said that he needed additional documents to give further information and described the documents.

We advised the Department of Hales information and by request received May 3, 1962, the Department requested that we find the records referred to and make arrangements with the Department of Agriculture and Hales for the furnishing of additional information. We had already initiated inquiry to obtain the records and have since obtained them.

PROPOSED ACTION:

We originally intended to refer the Hales problem back to the Department of Agriculture as an administrative matter within that department. This would be based on the fact that only an experienced legal technician within the Department of Agriculture would be sufficiently aware of the rules, regulations and laws of that Department to evaluate the meanings of these documents.

1 - Mr. DeLoach

1 - Mr. Evans

TWC:bjh

(8)

EX-105

REC-36

4 MAY 11 1962

CC MR. TOLSON

*Let to Miller, AAG
5/8/62 TWC/pak*

Am
28704-248

Memorandum to Mr. Belmont
RE: BILLIE SOL ESTES

Now since Hales is continually spreading the entire story in the press, we feel that it is to the Bureau's best interest to complete all phases of inquiry of Hales as it concerns these documents ourselves.

However, prior to taking this action it will be discussed with the Department of Justice and will be pointed out to them that we intend to conduct the interview during normal business hours. They will be further requested to specifically state the extent to which we should go as far as Hales is concerned. This is necessary since to date the Department, which is supposedly thoroughly reviewing Department of Agriculture reports and ours, has been unable to establish any evidence of bribery. They have furnished us a letter to that effect.

ACTION:

After a discussion with the Department of Hales matter we will confirm it in writing.

Wm. H. ~~Wm. H.~~
 22 Feb but don't delay on it
 H

5/14/62

PLAIN TEXT

TELETYPE

URGENT

TO SACS DALLAS, EL PASO, MINNEAPOLIS,
OMAHA, RICHMOND, SAN ANTONIO, WFO

FROM DIRECTOR FBI

BILLIE SOL ESTES, INTERSTATE TRANSPORTATION OF STOLEN
PROPERTY - BRIBERY.

RE EL PASO AIRTEL MAY TEN, NINETEEN SIXTYTWO. ALL OFFICES
IMMEDIATELY OBTAIN IDENTITIES OF SUBSCRIBERS TO TELEPHONE
NUMBERS CALLED TO DIVISIONS AND SUTEL BUREAU BY THREE P.M.,
EDST TODAY.

NOTE: Referenced airtel set forth leads to obtain subscribers
to telephone numbers called by Estes from Pecos, Texas.

EDT:kak
(3)

REC-42

19 MAY 14 1962

U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
MAY 14 1962

TELETYPE

62 MAY 10 1962

MAIL ROOM ☐ TELETYPE UNIT ☐

Tolson _____
Belmont _____
Mohr _____
Callahan _____
Conrad _____
DeLoach _____
Evans _____
Malone _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
MAY 14 1962

TELETYPE

URGENT 5/14/62 10-46 AM JDS
TO SACS DALLAS, EL PASO, MINNEAPOLIS, OMAHA, RICHMOND, SAN ANTONIO,
AND WASHINGTON FIELD
FROM DIRECTOR, 1 PAGE

BILLIE SOL ESTES, INTERSTATE TRANSPORTATION OF STOLEN
PROPERTY - BRIBERY.

RE EL PASO AIRTEL MAY TEN, NINETEEN SIXTYTWO. ALL OFFICES
IMMEDIATELY OBTAIN IDENTITIES OF SUBSCRIBERS TO TELEPHONE
NUMBERS CALLED TO DIVISIONS AND SUTEL BUREAU BY THREE P.M.,
EDST TODAY.

END ACK PLS

¹
WDD F PK OK FBI MP SJJ

EUXJG TZLJR

RPT RPT MP

OK FBI MP SJJ

OM OK FBI OM JAK

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
MAY 14 1962

TELETYPE

URGENT 5/14/62 10-22 AM JDS
TO SACS DALLAS, EL PASO, MINNEAPOLIS, OMAHA, RICHMOND, SAN ANTONIO,
AND WASHINGTON FIELD
FROM DIRECTOR, 1 PAGE

BILLIE SOL ESTES, INTERSTATE TRANSPORTATION OF STOLEN
PROPERTY - BRIBERY.

RE EL PASO AIRTEL MAY TEN, NINETEEN SIXTYTWO. ALL OFFICES
IMMEDIATELY OBTAIN IDENTITIES OF SUBSCRIBERS TO TELEPHONE
NUMBERS CALLED TO DIVISIONS AND SUTEL BUREAU BY THREE P.M.,
EDST TODAY.

END ACK PLS

OJ OK FBI RH BLC

TU DISC BLC

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
MAY 14 1962

TELETYPE

URGENT 5/14/62 10-37 AM JDS

TO SACS DALLAS, EL PASO, MINNEAPOLIS, OMAHA, RICHMOND, SAN ANTONIO,
AND WASHINGTON FIELD
FROM DIRECTOR, 1 PAGE

BILLIE SOL ESTES, INTERSTATE TRANSPORTATION OF STOLEN
PROPERTY - BRIBERY.

RE EL PASO AIRTEL MAY TEN, NINETEEN SIXTYTWO. ALL OFFICES
IMMEDIATELY OBTAIN IDENTITIES OF SUBSCRIBERS TO TELEPHONE
NUMBERS CALLED TO DIVISIONS AND SUTEL BUREAU BY THREE P.M.,
EDST TODAY.

END ACK PLS

EP OK FBI EP REY

DL OK FBI DL WD

SA OK FBI SA CJH

TU DISC

Mr. Herbert J. Miller, Jr.
Assistant Attorney General

May 10, 1962

Director, FBI

1 - Mr. Curran

BILLIE SOL ESTES
INTERSTATE TRANSPORTATION OF
STOLEN PROPERTY; BRIBERY

This is to advise that in accordance with telephonic request received from [redacted] of the Department by Special Agent Fletcher D. Thompson of this Bureau, on May 9, 1962, our New York Office has been instructed to conduct no further interviews with officials of the Commercial Solvents Company, pending further instructions from you.

b6
b7C

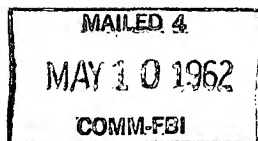
On May 3, 1962, the Special Agent in Charge of our San Antonio Office advised that he had, on that date, received a request from [redacted] of the Department, that the records of the Mountain State Telephone Company at Pecos, Texas, be checked for all incoming and outgoing long distance telephone calls made or charged to the home telephone of Billie Sol Estes since January 1, 1961.

b6
b7C

[redacted] indicated he was particularly interested in any calls made to or charged by Dr. James T. Ralph, McLean, Virginia, to Estes' home telephone on January 14, 1962, and February 17, 18 and 24, 1962.

The El Paso Office has been instructed to promptly conduct investigation requested by [redacted] and your office will be immediately advised when the information is received.

b6
b7C



FDT: lmc

(5)

Tolson _____
Belmont _____
Mohr _____
Callahan _____
Conrad _____
DeLoach _____
Evans _____
Malone _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

62 MAY 16 1962

MAIL ROOM ☐ TELETYPE UNIT ☐

REC-12

19 MAY 14 1962

10 ESTB.ES
FBI
REC'D MAY 14 1962

5/11/62

PLAIN TEXT

TELETYPE

URGENT

TO SACS DALLAS, EL PASO, NEW YORK,
SAN ANTONIO, RICHMOND, WFO

FROM DIRECTOR FBI

BILLIE S. ESTES, ITSP - BRIBERY.

ALL OFFICES SHOULD SUBMIT A DAILY TELETYPE SUMMARY AT THE
CLOSE OF BUSINESS EACH DAY REFLECTING INVESTIGATION CONDUCTED
DURING THAT DAY. THIS SUMMARY SHOULD BE COMPLETE AND INCLUDE
ANY INTELLIGENCE INFORMATION CONCERNING ACTIONS OF ESTES OR
OFFICIALS OR ANYTHING OF PERTINENCE TO THIS INVESTIGATION.
DALLAS AND EL PASO ADVISE ANY ADDITIONAL OFFICES WITH OUTSTANDING
INVESTIGATION OF THESE INSTRUCTIONS.

GEB:Lak
(3)

WZ

COMMUNICATIONS SECTION
MAY 11 1962

TELETYPE

8211

EX-42

EX-105

29-28704-251

MAY 14 1962

Tolson _____
Belmont _____
Mohr _____
Callahan _____
Conrad _____
DeLoach _____
Evans _____
Malone _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____

MAIL ROOM ☐ TELETYPE UNIT ☒

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
MAY 1 1 1962

TELETYPE

URGENT 5-11-62 8-21 PM RAM

TO SACS DALLAS, EL PASO, NEW YORK, SAN ANTONIO, RICHMOND &
WASHINGTON FIELD

FROM DIRECTOR 1 P

BILLIE SOL ESTES, ITSP - BRIBERY.

ALL OFFICES SHOULD SUBMIT A DAILY TELETYPE SUMMARY AT THE
CLOSE OF BUSINESS EACH DAY REFLECTING INVESTIGATION CONDUCTED DUR-
ING THAT DAY. THIS SUMMARY SHOULD BE COMPLETE AND INCLUDE ANY
INTELLIGENCE INFORMATION CONCERNING ACTIONS OF ESTES OR OFFICIALS
OR ANYTHING OF PERTINENCE TO THIS INVESTIGATION. DALLAS AND EL PASO
ADVISE ANY ADDITIONAL OFFICES WITH OUTSTANDING INVESTIGATION OF THESE
INSTRUCTIONS.

END & ACK PLS

OK FBI RH PLS

DISC

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
MAY 11 1962

TELETYPE

URGENT 5-11-62 8-13 PM RAM

TO SACS DALLAS, EL PASO, NEW YORK, -11- SAN ANTONIO, RICHMOND &
WASHINGTON FIELD

FROM DIRECTOR 1 P

BILLIE SOL ESTES, ITSP - BRIBERY.

ALL OFFICES SHOULD SUBMIT A DAILY TELETYPE SUMMARY AT THE
CLOSE OF BUSINESS EACH DAY REFLECTING INVESTIGATION CONDUCTED DUR-
ING THAT DAY. THIS SUMMARY SHOULD BE COMPLETE AND INCLUDE ANY
INTELLIGENCE INFORMATION CONCERNING ACTIONS OF ESTES OR OFFICIALS
OR ANYTHING OF PERTINENCE TO THIS INVESTIGATION. DALLAS AND EL PASO
ADVISE ANY ADDITIONAL OFFICES WITH OUTSTANDING INVESTIGATION OF THESE
INSTRUCTIONS.

END & ACK PLS

WA R ¹¹~~10~~ NY JTF

TU

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
MAY 11 1962

TELETYPE

URGENT 5-11-62 8-11 PM RAM

TO SACS DALLAS, EL PASO, NEW YORK, SAN ANTONIO, RICHMOND &
WASHINGTON FIELD

FROM DIRECTOR 1 P

BILLIE SOL ESTES, ITSP - BRIBERY.

ALL OFFICES SHOULD SUBMIT A DAILY TELETYPE SUMMARY AT THE
CLOSE OF BUSINESS EACH DAY REFLECTING INVESTIGATION CONDUCTED DUR-
ING THAT DAY. THIS SUMMARY SHOULD BE COMPLETE AND INCLUDE ANY
INTELLIGENCE INFORMATION CONCERNING ACTIONS OF ESTES OR OFFICIALS
OR ANYTHING OF PERTINENCE TO THIS INVESTIGATION. DALLAS AND EL PASO
ADVISE ANY ADDITIONAL OFFICES WITH OUTSTANDING INVESTIGATION OF THESE
INSTRUCTIONS.

END & ACK PLS

DL OK FBI DL FLL

EP OK FBI EP ST

SA OK FBI SA AAC

ACIMTUIV

UNITED STATES GOVERNMENT

Memorandum

TO : Mr. Belmont *abw*

DATE: 5-14-62

FROM : A. Rosen *Rosen*SUBJECT: BILLIE SOL ESTES
ITSP - BRIBERY

Tolson	_____
Belmont	_____
Mohr	_____
Casper	_____
Conrad	_____
DeLoach	_____
Evans	_____
Malone	_____
Rosen	_____
Sullivan	_____
Tavel	_____
Trotter	_____
Tele. Room	_____
Holmes	_____
Gandy	_____

In connection with the interview scheduled for 10:00 a.m. this morning with former Assistant Secretary of Labor Jerry R. Holleman, this is to advise that Holleman has contacted our Washington Field Office and informed that he will not be interviewed today as the Department of Labor is making an investigation into "his case" and he refused to be interviewed until that is completed. He indicated that he would be available for interview on Thursday. Agents will contact Holleman on Thursday in an effort to interview him per Department's request concerning the \$1,000 gift he received from Estes and the nature of his relationship with Estes. Department being advised.

WBW: vhm
(6)

EX-114

REC-34

11 MAY 15 1962

67 MAY 16 1962

CC TO MR. TOLSON

5-10-62

Airtel

EX-114

To: SAC, WFO

From: Director, FBI 29 2x104 - 253

BILLIE SOL ESTES
ITSP - BRIBERY
BUDED 5/15
REC-34

Rerep of SA Andrew J. Shannon, May 8, 1962,
Washington, D.C.

The Department has requested additional investigation regarding Mr. James A. McConnell who was referred to on pages 84 and 85 of rerep. Information has been reported to the Department that McConnell was employed by USDA as a consultant at the same time he was employed by the Commercial Solvents Corporation. Rerep indicates McConnell was at one time Chief of ASCS at the Department of Agriculture. McConnell was succeeded in that position by Mr. Walter C. Berger, presently a Director of Commercial Solvents Corporation.

WFO at USDA determine the dates and types of all employments for McConnell and Berger, whether on a full or part time basis including any consulting service to USDA by these individuals.

Submit results of inquiry in letterhead memorandum form suitable for dissemination to the Department.

1 - Dallas (Information)

GEB:kak
(5)

MAILED 4
MAY 10 1962
COMM-FBI

Tolson _____
Belmont _____
Mohr _____
Callahan _____
Conrad _____
DeLoach _____
Evans _____
Malone _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

246
67 MAY 16 1962

MAIL ROOM ☐ TELETYPE UNIT ☐

Mr. Tolson _____
POST OFFICE
 Mr. Mohr _____
 Mr. Callahan _____
 Mr. Clegg _____
 Mr. DeLoach _____
 Mr. Evans _____
 Mr. Malone _____
 Mr. Rosen _____
 Mr. Sullivan _____
 Mr. Tavel _____
 Mr. Trotter _____
TELEPHONE ROOM
 Miss Holmes _____
 Miss Gandy _____
C. W. ...

DATE:

H. M. E. J. R. and r. r.
29 Miss Holmes
Miss Gandy

SUBJECT: Billie Sol Estes
Interstate Transportation of Stolen Property -
Bribery

It has been reported to the Department that Mr. James A. McConnell referred to in the above pages was employed by the USDA as a consultant at the same time that he was employed by Commercial Solvents Corporation. The above report indicates that Mr. McConnell was at one time a Chief of the ASCS at the USDA. This report also states that Mr. McConnell was succeeded in this position by Mr. Walter C. Berger, presently a Director of Commercial Solvents Corporation.

It is requested that inquiry be made at the USDA to determine the dates and types of all employments for Messrs. McConnell and Berger, whether on a full or part time basis, including any consulting services to the USDA by these individuals.

EX-112

REC- 34

7 JUL 15 1972

U. S. DEPT. OF JUSTICE

APR 11 1 37 PM '67
Circuit Court
5-10-67

5-12-62

Airtel

To: SAC, Washington Field (87-8242)

From: Director, FBI

BILLIE SOL ESTES REC-34
BRIBERY; ITSP

Re WFO airtel 5-11-62.

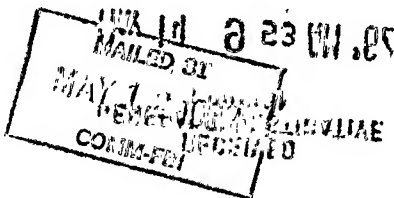
Referenced airtel Page 2, Paragraph 2, indicates that investigation by Internal Revenue Service (IRS) in 1955 disclosed that Estes had submitted false financial statements to banks.

Immediately determine if information concerning false statements was presented as possible mail fraud. It is noted that even though the statute has run on these offenses, the Department of Justice desires to be advised of any failures on the part of Federal agencies to take appropriate action.

Agents assigned to review files in this matter should be instructed to be alert for any indication of mail fraud or any other Federal violation.

1 - Dallas (AM)

U.S. DEPT. OF JUSTICE
F.B.I.



FDT:mrp
(5)

Tolson _____
Belmont _____
Mohr _____
Callahan _____
Conrad _____
DeLoach _____
Evans _____
Malone _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

MAIL ROOM ☒ TELETYPE UNIT ☐

67 MAY 16 1962

F B I

Date: 5/11/62

Transmit the following in _____
(Type in plain text or code)Via AIRTEL _____
(Priority or Method of Mailing)

Mr. Tolson	_____
Mr. Belmont	_____
Mr. Mohr	_____
Mr. Callahan	_____
Mr. Conrad	_____
Mr. DeLoach	_____
Mr. Evans	_____
Mr. Malone	_____
Mr. Rosen	_____
Mr. Sullivan	_____
Mr. Tavel	_____
Mr. Trotter	_____
Tele. Room	_____
Miss Gandy	_____

TO: DIRECTOR, FBI (29-28704)

FROM: SAC, WFO (87-8242) (P)

may
BILLIE SOL ESTES, et al
BRIBERY - COI
(OO:DL)

SUMMARY AIRTEL

ReBuairtels to WFO dated 5/10, and 5/11/62;
Bu telephone calls to WFO 5/11/62; and Eptel to Bureau
dated 5/9/62.

Per Bureau instructions, [redacted]

[redacted] Secretary of Agriculture (USDA),
was contacted instant date and advised that the Dept. of
Justice had requested that the USDA make available for
review the former files of N. BATTLE HALES, USDA.
Arrangements made with [redacted] whereby at 10:00 a.m.,
on 5/14/62, HALES will review his former files which will
be in the custody of [redacted] Acting Deputy
Administrator, State and County Operations, Agricultural
Stabilization and Conservation Service (ASCS), USDA,
or a designated USDA representative. At this time, HALES
will review his files and obtain necessary information and
documents from files in order that he can be interviewed
by Bureau Agents without the presence of other USDA personnel.
Per Bureau instructions, [redacted] was advised that FBI
Agents would only act as observers while HALES obtained
necessary information and documents from his files. This
was agreeable to [redacted] who had requested that Agents be
present on 5/14/62, as he stated that HALES has the habit
of not telling the truth.

- ③ - Bureau
1 - Dallas (58-188) (Info)
2 - WFO

AJS:hrh
(6)

AIRTEL

C. C. Wick

EX-114

REC-34

Approved: _____

Sent _____

MAY 15 1962

Special Agent in Charge

b6
b7c

Quoted to [redacted] 5/11/62
JDJ/ [redacted]
5-12-62

29-28704-254

WFO 87-8242

An appointment has been made to interview Assistant Secretary of Labor, JERRY R. HOLLEMAN, at 10:00 a.m., on 5/14/62.

Inquiry at Intelligence Unit (IU), Internal Revenue Service (IRS), Washington, D.C., on instant date determined that the IU made preliminary investigation regarding BILLIE SOL ESTES to ascertain if it was worthwhile to institute full-scale inquiry. As a result of this investigation, it was determined that this case would not have possibilities from a criminal standpoint with respect to violation of the tax laws. IU anticipates their investigation will be discontinued with criminal prosecution in mind and a civil audit by IRS will be instituted instead. This civil suit will initially cover the years 1959 and 1960 in all probability, but may be extended as far back as 1956 in the event indications of fraud are uncovered. ESTES was the subject of an intensive investigation by IRS in 1955 and the IRS found at that time that there was no basis for criminal prosecution. It was determined that ESTES had submitted false financial statements to banks as a result of this investigation. Preliminary investigation in connection with current study by IU reflects that ESTES operations from 1955 through 1960 have resulted in a combined net operating loss totaling \$3,172,016.68. The only year a profit was shown was in 1956 at which time the profit was reflected as \$38,557.31.

A separate LHM was submitted to the Bureau on instant date concerning the former employments of JAMES A. MC CONNELL with the USDA. MC CONNELL is Director of the Commercial Solvents Corporation.

A separate LHM was also submitted to the Bureau setting out information identifying the subscribers of Washington, D.C. telephone numbers as contained in referenced El Paso teletype.

A separate LHM was also submitted regarding the telephone toll calls to and from the residences of subjects Dr. JAMES T. RALPH, WILLIAM E. MORRIS, and EMERY E. JACOBS for periods which were available to WFO source.

WFO 87-8242

Offices covering telephone toll calls have been requested to identify subscribers.

WFO obtained this date from [] General Counsel's Office, USDA, voluminous files containing financial data and other information submitted to the USDA by ESTES. WFO is reviewing these files and obtaining Photostats of pertinent documents. A Photostat of financial statement of BILLIE SOL ESTES as of 12/31/60, will be included in Photostats to be submitted to the Bureau. El Paso will be furnished information in financial statement dated 12/31/60, and will be requested to review original books and records pertaining to the statement and determine if violation of Title 18, USC, 1001, exists.

ESTES IS REPORTED TO HAVE SUICIDAL TENDENCIES.

b6
b7c

May 11, 1962

BILLIE SOL ESTES

Following is additional information received concerning telephone calls made from residence of Billie Sol Estes in Pecos, Texas. This information was received on a confidential basis.

On January 14, from Estes' residence (Pecos telephone number 3317) to EX 3-2216, Washington, D.C., at 11:00 a.m. for three minutes.

On February 1, 1962, a call was made from Estes at Number 2507 in Pecos to "Jacobs" at RE 2-4142, Extension 3415, Washington, D.C., at 7:09 p.m. for twelve minutes.

On February 2, 1962, a call was made from Estes at 2507, Pecos, to Bill Morris at DU 8-7043, Washington, D.C., at 8:40 a.m. for fifteen minutes.

On February 14, 1962, a call was made from Pecos telephone 2507 to Kelly at AD 2-7700, Extension 538, Washington, D.C., at 5:00 p.m. for two minutes.

On February 16, 1962, a call was made from Estes at 2507 to McLean, Virginia, Zone 7, Washington, D.C., Number EL 6-4521 at 10:30 p.m. for three minutes.

On February 18, 1962, a call was made from 2507, Pecos, Texas, to McLean, Virginia, telephone EL 6-4521, at 2:14 p.m. for nineteen minutes.

The subscribers to the telephone numbers called in the Washington, D. C., area and referred to above are set forth in a separate letterhead memorandum.

*Call Delivered
to Mr. [unclear]
by FDT.*
EX-114
REC-34

255
67 MAY 15 1962
JUN 14 1962

Tolson _____
Belmont _____
Mohr _____
Callahan _____
Conrad _____
DeLoach _____
Evans _____
Malone _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

FDT: kak
(5)

67 MAY 16 1962
MAIL ROOM ☐ TELETYPE UNIT ☐

May 11, 1962

BILLIE SOL ESTES

Following is additional information confidentially received concerning telephone calls charged to telephones listed to Billie Sol Estes in Pecos, Texas, to Dr. James T. Ralph.

A call was made from Estes to Ralph at 11:32 a.m. on February 2, 1962, the call being received by Ralph at PO 57917, Lubbock, Texas. A call was made from Estes to Ralph at telephone LI 50441, Room 104, Minneapolis, for seven minutes at 4:37 p.m., February 26, 1962. Another call was made by Estes from his unlisted telephone number in Pecos, Texas, to Ralph at LI 50441, Room 104, Minneapolis, at 10:24, a.m., March 5, 1962 for six minutes.

Investigation has failed to indicate that any calls made by Ralph during the pertinent period were charged to Estes' Telephone Credit Card Number 3317-1221.

Further information in this matter will be furnished as received.

FDT: kak
(5)

REC-34

MAY 15 1962

MAIL ROOM ☐ TELETYPE UNIT ☐

67 MAY 16 1962

Tolson _____
Belmont _____
Mohr _____
Callahan _____
Conrad _____
DeLoach _____
Evans _____
Malone _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

May 14, 1962

**BILLIE SOL ESTES
INTERSTATE TRANSPORTATION
OF STOLEN PROPERTY - BRIBERY**

By letterhead memorandum dated May 3, 1962, the El Paso Office of this Bureau set forth information relating to a partnership which existed in approximately 1956 between Billie Sol Estes, [redacted] of Nashville, Tennessee, and Robert S. Clement, father of Frank Clement, former Governor of Tennessee.

b6
b7C

The report of Special Agent [redacted] dated April 12, 1962, at El Paso on Page 48 indicated that a Robert E. Clements was former owner of the Superior Manufacturing Company and it was alleged that the idea of selling contracts without security originated with Clements. The records of Dun and Bradstreet, Dallas, Texas, have been reviewed and indicate that the Robert E. Clements, the former owner of Superior Manufacturing Company, Amarillo, Texas, was born in 1895 and is a native of California. The wife of Robert E. Clements is shown as Thelma. Clements was engaged in real estate business in Long Beach, California, in 1933, and became a co-founder, together with [redacted] of an old age security plan. Clements was not identified with this movement until 1935. In 1938, he moved to Amarillo, Texas, and formed the Superior Manufacturing Company.

b6
b7C

The records of this Bureau indicate that Robert S. Clement is a native of Tennessee.

FDT: kak
(5) *kak*

EX-114

REC-34

7/15
24 MAY 1 - 257

11 MAY 15 1962

Tolson _____
Belmont _____
Mohr _____
Callahan _____
Conrad _____
DeLoach _____
Evans _____
Malone _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

*2 cc Dept.
5/14/62
Sub: info*

MAIL ROOM ☐ TELETYPE UNIT ☐

246
67 MAY 15 1962

NA
700 544
Bureau

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
MAY 14 1962

TELETYPE

Mr. Tolson	_____
Mr. Belmont	_____
Mr. Mohr	_____
Mr. Callahan	_____
Mr. Conrad	_____
Mr. DeLoach	_____
Mr. Evans	_____
Mr. Gale	_____
Mr. Rosen	_____
Mr. Sullivan	_____
Mr. Tavel	_____
Mr. Trotter	_____
Tele. Room	_____
Miss Holmes	_____
Miss Gandy	_____

WELTE

encl 12

URGENT 5-14-62 2-13 PM MST JPM

TO DIRECTOR, FBI

FROM SAC, EL PASO "58-59" 2 P

BILLIE SOL ESTES, ET AL, BRIBERY - CONFLICT OF INTEREST.

RE PHONE CALL FROM

CALL MAY FOURTEEN INSTANT FROM BILL WELTE AT THE
BUREAU.

RE WASHINGTON PROJECT.

ON MAY FOURTEEN INSTANT WHILE CONVERSING WITH [REDACTED]

b6
b7c

[REDACTED] ON ANOTHER MATTER, HE BROUGHT UP THE ARTICLE APPEARING IN
U. S. NEWS AND WORLD REPORT TO SA [REDACTED] CONCERNING THE WASHINGTON
PROJECT. HE VOLUNTEERED AT THIS TIME THAT ESTES ENTERPRISES
CARRIES A LEDGER ACCOUNT IN THE NAME OF THE WASHINGTON PROJECT AND
AT THE PRESENT TIME IT HAS A CREDIT BALANCE OF SOME TEN THOUSAND
DOLLARS. HE STATED THAT IT IS HIS UNDERSTANDING THAT EARLY IN THE
FIFTIES ESTES PURCHASED A NUMBER OF SURPLUS GOVERNMENT HOUSES IN
OR AROUND SPOKANE, WASHINGTON, FROM AN UNKNOWN INDIVIDUAL WHO HAD
EARLIER PURCHASED THESE SAME HOMES. HE STATED THAT THIS IS NOTH-
ING MORE THAN AN INVESTMENT ON THE PART OF ESTES.

[REDACTED] STATED THAT HE WAS CURRENTLY REVIEWING THEIR
CANCELLED CHECKS AND VOUCHERS MENTIONED IN THE NEWS ARTICLE IN

b6
b7c

THIS CONNECTION AND HAD FOUND THAT THE CHECK IN THE AMOUNT OF FORTY
11 MAY 15 1962

END PAGE ONE

REC- 34

246
67 MAY 16 1962

cc: Carson

6-110

PAGE TWO

THOUSAND EIGHT HUNDRED SEVENTY-SIX DOLLARS AND FOURTEEN CENTS HAD BEEN ISSUED IN ORDER TO PICK UP A DRAFT TO ASSOCIATES INVESTMENT COMPANY, LUBBOCK, TEXAS, WHICH IS A FINANCE COMPANY. THE CHECK FOR SIXTY-FOUR THOUSAND, ONE HUNDRED THIRTY-NINE DOLLARS WAS ISSUED TO PICK UP A DRAFT TO THE COMMERCIAL CREDIT CORPORATION, BALTIMORE, WHICH IS ALSO A FINANCE COMPANY. THE THIRD CHECK, ALL OF WHICH WERE DATED JANUARY SIXTEEN LAST, IN THE AMOUNT OF FORTY THOUSAND, REPRESENTS PAYMENT FOR A CASHIERS CHECK PURCHASED AND FORWARDED COMMERCIAL SOLVENTS AT NEW YORK FOR PAYMENT ON GRAIN STORAGE AT HEREFORD, TEXAS.

WILL BE INTERVIEWED PERSONALLY WITH REGARD TO THE ABOVE AND BUREAU ADVISED.

b6
b7c

DALLAS ADVISED VIA AIRMAIL.

ESTES MAY HAVE SUICIDAL TENDENCIES.

END AND ACK PLS

~~PAGE ONE LINE TWO AGAIN PLS~~

~~"RE PHONE CALL MAY FOURTEEN INSTANT FROM BILL WELTE AT THE BUREAU"~~

5-25 PM OK FBI WA ELR

DISC PLSM

F B I

Date: 5/11/62

Transmit the following in _____
(Type in plain text or code)Via AIRTEL _____
(Priority or Method of Mailing)

TO: DIRECTOR, FBI (29-28704)

FROM: SAC, WFO (8708242) (P)

BILLIE SOL ESTES, et al
BRIBERY; CONFLICT OF INTEREST
(OO:DL)Re Bureau telephone call, 5/11/62, and
El Paso teletype to Bureau dated 5/9/62.Enclosed for the Bureau are four copies of a
letterhead memo dated and captioned as above.A copy of the letterhead memo is also being
furnished the Dallas and El Paso Offices for information.The confidential source in the letterhead memo
is [redacted] who furnished information to SA WILFRED L.
BERGERON on 5/2 and 5/11/62.WFO will attempt to identify _____ KELLY
at telephone number AD 2-7700, extension 538, which is
the Manchester Hotel, Washington, D. C.
ESTES REPORTED TO HAVE SUICIDAL TENDANCIES

- 3 - Bureau (Enc. 4)
- 1 - Dallas (58-188) (Info) (Enc. 1) (AM)
- 1 - El Paso (29-351) (Info) (Enc. 1) (AM)
- 2 - WFO

AJS:JLD
(7)AIRTEL

REC- 34

2cc Encl memo 29-28704

to Dir.
5/11/62

JDT:inc

MAY 15 1962

Approved: _____

Sent _____ M Per _____

Special Agent in Charge

67 MAY 16 1962



UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

*In Reply, Please Refer to
File No.*

WASHINGTON 25, D. C.

May 11, 1962

BILLIE SOL ESTES, et al
BRIBERY; CONFLICT OF INTEREST

On May 2, 1962, a confidential source advised the following individuals were subscribers to the telephone numbers listed below:

William E. Morris
3806 Basil Road
McLean, Virginia
Telephone Number 356-4521
(formerly EL 6-4521)

James T. Ralph
5922 Seacliff Road
McLean, Virginia
Telephone Number 356-7221
(formerly EL 6-7221)

On May 11, 1962, the confidential source advised that the following were subscribers to the telephone numbers listed below:

Hilton Hotel Corporation
Central Reservations
Statler Hilton Hotel
16th and K Streets, N. W.
Washington, D. C.
Telephone Number EX 3-2216

Manchester Hotel
1426 M Street, N. W.
Washington, D. C.
AD 2-7700

29-28704-259
ENCLOSURE

BILLIE SOL ESTES

The Washington Metropolitan Area Telephone Directory dated 1961 - 1962 reveals that telephone number EX 3-2216 is the telephone number for out-of-town reservations office for the Statler Hilton Hotel.

Telephone number RE 2-4142 is the telephone number of the United States Department of Agriculture (USDA)

The USDA Telephone Directory dated January, 1962, reveals that extension 3415 is listed to Emery E. Jacobs, ASCS (Agriculture Stabilization and Conservation Service), Room 243, BG-W (Main Agriculture Building)

The telephone prefix DU 8 is used in direct dialing to the USDA.

The USDA Telephone Directory dated January, 1962, reveals that extension 7043 is listed to William E. Morris, ASCS, Room 210, BG-A (Main Agriculture Building).

This document contains neither
recommendations nor conclusions of
the FBI. It is the property of
the FBI and is loaned to your agency;
it and its contents are not to be
distributed outside your agency.

F B I

Date: 5/7/62

Transmit the following in _____
(Type in plain text or code)Via AIRTEL _____
(Priority or Method of Mailing)

TO: DIRECTOR, FBI (29-23704)

FROM: SAC, WFO (87-8242) (P)

BILLIE SOL ESTES, ET AL
BRIBERY; CONFLICT OF INTEREST
(OO:DL)

ReWFOairtels to Bureau dated 4/20, 23, and 30/62;
WFO airtel and LHM to Bureau dated 5/1/62; Bureau telephone
call to WFO, 5/4/62; and, WFO airtel to Bureau dated 5/4/62.

Enclosed herewith for the Bureau are four (4)
copies of a letterhead memo dated and captioned as above.

Reference is made to the newspaper article captioned
"ESTES 'Favoritism' Denied at Bizarre News Parley" which
appeared in the "Washington Evening Star" newspaper, 5/5/62, and
to the headline captioned "Favoritism to ESTES Charged" with
accompanying article contained in the "Washington Post and
Times Herald" newspaper, 5/5/62.

In the above mentioned "Washington Evening Star"
newspaper article THOMAS R. HUGHES, Executive Assistant to
the Secretary of Agriculture, ORVILLE FREEMAN, was reported
to have said concerning the HALES matter that he had directed
Mr. HALES to cooperate completely with the FBI "which was
now in complete charge of the case." HUGHES also was alleged
to have stated that he told the FBI that if they wanted to go
through HALES' office to get any information they needed
the files would be made available at any time. HUGHES was
also reported to have stated "that was the last I heard of
the matter."

HUGHES was also reported to have insisted that the
FBI had gotten all the files they requested.

3 - Bureau (Enc. 4)

1 - WFO

AJS/jmo

(4)

MAY 15 1962
AIRTEL

Approved _____

ENCLOSURE

Special Agent in Charge

Sent _____ M Per _____

67 MAY 16 1962

WFO 87-8242

The article in the "Washington Post and Times Herald" newspaper contained the statement "The FBI itself, however, has had continuing access to all department files including that of HALES."

Referenced WFO airtels to Bureau dated 4/20, 23, and 30/62 set out WFO contacts with HALES concerning the contact with him on 4/20/62, when he was locked out of his files at the U.S. Department of Agriculture (USDA). The matter was referred to the Bureau with WFO recommendations. Referenced WFO airtel dated 4/30/62 pointed out that HALES had signed a sworn statement 4/30/62 incorporating results of administrative data he had furnished on 4/26/62 at which time he mentioned 4 documents in his former files which he felt were pertinent to instant case. Per Bureau instructions WFO prepared referenced letterhead memo dated 5/1/62 in this matter and WFO awaited Bureau instructions. Per Bureau telephone call 5/4/62 a WFO Agent on 5/4/62 obtained the 4 documents (as well as related documents) mentioned by HALES and delivered them to the Bureau.

SA ANDREW J. SHANNON was the Agent who contacted [redacted] on 4/19/62, set out in the letterhead memo.

SA [redacted] was the Agent who ascertained the identity of [redacted] on 4/20/62, mentioned in the letterhead memo.

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b7c



UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

In Reply, Please Refer to
File No.

WASHINGTON 25, D. C.
May 7, 1962

BILLIE SOL ESTES, ET AL
BRIBERY; CONFLICT OF INTEREST

"The Washington Evening Star" newspaper of May 5, 1962, contained an article captioned, "Estes 'Favoritism' Denied at Bizarre News Parley."

In this article Thomas R. Hughes, Executive Assistant to the Secretary of Agriculture, United States Department of Agriculture (USDA), was alleged to have said that on April 19, 1962, that a Special Agent of the Federal Bureau of Investigation (FBI) who had questioned Mr. Hales "interpreted his problem as an administrative one in the department, over which the FBI had no jurisdiction or interest."

A Special Agent of the Washington Field Office, FBI, contacted [redacted] on April 19, 1962, at [redacted] request, following the interview of N. Battle Hales, then Staff Assistant, State and County Operations, Agricultural Stabilization and Conservation Service (ASCS), USDA. The Special Agent emphatically denies that he told Mr. [redacted] the FBI had no jurisdiction or interest in the Hales matter. It is noted in this regard, that the FBI did not, at any time, discuss jurisdiction with [redacted]. In connection with the contact with [redacted] attempted to obtain information from the Agent concerning the Hales' interview. The Agent did not disclose the results of the interview. [redacted] at no time during the interview was advised that Special Agents had completed the interview with Hales. [redacted] at the time of this contact, did not mention that Hales was under immediate transfer and would be transferred from his position on April 20, 1962. [redacted] however, indicated that Hales' transfer might occur at a later date.

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"The Washington Post and Times Herald" newspaper on May 5, 1962, contained the headline, "Favoritism to Estes Charged," with an accompanying article. In this article a statement is attributed to Hales regarding an event that reportedly

29-28704-260

ENCLOSURE

RE: BILLIE SOL ESTES

happened on April 20, 1962, the day that he was denied access to the files in his office. He was reported to have made the statement that a department (USDA) employee left his office on the morning of April 20, 1962, and went down the hall pursued by an FBI Agent.

The above statement made by Hales is false. It is pointed out that the USDA employee, [redacted] of the Office of State and County Operations, ASCS, who was inventorying records asked an FBI Agent to step out into the hall. He stated he wanted to tell the FBI Agent he did not want to interfere with anything the FBI was doing.

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It is pointed out that when Hales was first interviewed by Special Agents of the FBI on April 19, 1962, he had received notice that he was to be transferred to the Defense Services Staff, ASCS. During this and later interviews with Hales, he was highly nervous and emotional at times and appeared to be a very disgruntled employee over his transfer to the Defense Services Staff.

It is also noted that Edward M. Loweree, Chief, Division of Investigations, Office of Personnel, Office of the Secretary, USDA, has advised Special Agents of the FBI that [redacted] has suspicions that Hales has been leaking information from files in Hales' former office to the press.

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b7C

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
MAY 8 1962

TELETYPE

Mr. Tolson	
Mr. Belmont	
Mr. Mohr	
Mr. Callahan	
Mr. Conrad	
Mr. DeLoach	
Mr. Evans	
Mr. Gale	
Mr. Rosen	
Mr. Sullivan	
Mr. Tavel	
Mr. Trotter	
Tele. Room	
Miss Holmes	
Miss Gandy	

URGENT

5-8-62

12-26

PM CST CJH

TO DIRECTOR, FBI, SACS EL PASO, DALLAS
FROM SAC, SAN ANTONIO /87-5925/ 2-P
RE - BILLIE SOL ESTES

BRIBERY - CONFLICT OF INTEREST

AT TEN FIFTY A. M., THIS DATE, [REDACTED]

CRIMINAL DIVISION, DEPARTMENT OF JUSTICE, REQUESTED RESIDENT AGENT, AUSTIN, TEXAS, THAT TELEPHONE RECORDS FOR MOUNTAIN STATES TELEPHONE COMPANY, PECOS, TEXAS, BE EXAMINED FOR NINETEEN SIXTY ONE TO DATE WITH RESPECT TO ALL INCOMING AND OUTGOING LD CALLS CHARGED TO ESTES. IN PARTICULAR, [REDACTED] TO CHECK FOR CALLS MADE ON JAN. FOURTEEN, FEB. SEVENTEEN, FEB. EIGHTEEN, AND FEB. TWENTY FOUR, SIXTY TWO, AND ANY OTHER CALLS ON OTHER DATES FROM DR RALPHS, MC LEAN, VIRGINIA, PHONE NUMBER UNKNOWN, THAT WERE CHARGED TO ESTES-S TELEPHONE. [REDACTED] ADVISES BUREAU WOULD KNOW DR. RALPHS.

[REDACTED] ADVISED HE IS LEAVING AUSTIN, TEXAS, AND WILL BE IN CARE OF US ATTORNEY OFFICE, EITHER SAN ANTONIO OR FORT WORTH, TEXAS, THIS AFTERNOON. HE WANTS THIS INFORMATION AS SOON AS POSSIBLE, WANTS THE RESULTS CALLED INTO WASHINGTON, D. C. FOR ATTENTION OF AAG MILLER, CRIMINAL DIVISION, OR [REDACTED]

END PAGE ONE

EX-114

REC-34

MR. BELMONT FOR THE DIRECTOR

11 MAY 15 1962

67 MAY 16 1962

PAGE TWO

AT ELEVEN TWENTY FIVE A. M. SAC TELEPHONICALLY DISCUSSED
REQUEST WITH [REDACTED] WHO WAS STILL IN AUSTIN. HE ADVISED HE IS PRIM^{b6}
INTERESTED AT THIS TIME IN TELEPHONE CALLS MADE FROM THE RESIDENCE OF
DR. RALPH THAT WERE CHARGED TO ESTES HOME PHONE NUMBER, PARTICULARLY
ON THE DATES SET FORTH ABOVE. THIS INFORMATION IS REQUESTED ON URGENT
BASIS. HE ADVISED THAT IT WOULD BE NECESSARY TO REVIEW ALL CALLS BUT
THE FIRST STEP TO BE TAKEN WOULD BE THOSE MADE BY DR. RALPH AND CHARGED
TO ESTES HOME PHONE. BUREAU ADVISE EL PASO AND DALLAS WITH REGARD TO
INVESTIGATION.

END ADN ACK PS.

WAS 2-33 PM OK FBI WA DA

EP OK FBI EP JRH

DL OK FBI DL NW

TU DISC

V

cc: Mr. Rosen

Tolson ☒
 Belmont ☒
 Mohr ☒
 Callahan ☒
 Conrad ☒
 DeLoach ☒
 Evans ☒
 Malone ☒
 Rosen ☒
 Sullivan ☒
 Tavel ☒
 Trotter ☒
 Tele. Room ☒
 Holmes ☒
 Gandy ☒

UPI-6

(ESTES)

WASHINGTON--AGRICULTURE SECRETARY FREEMAN FACES QUESTIONING BY NEWSMEN TODAY ON HIS DEPARTMENT'S RELATIONS WITH BILLIE SOL ESTES, TEXAS FARM TYCOON WHO WAS INDICTED ON FRAUD CHARGES.

FREEMAN SCHEDULED A NEWS CONFERENCE AT 11:00 A.M., HIS FIRST SINCE ESTES WAS INDICTED LAST MONTH. THE NEWS SESSION CAME AMID NEW REPUBLICAN DEMANDS FOR A BROAD INQUIRY INTO THE ESTES CASE.

REP. PAUL FINDLEY, R-ILL., SAID HE HAD WRITTEN FREEMAN URGING HIM TO TESTIFY BEFORE THE HOUSE AGRICULTURE COMMITTEE TO CLARIFY AGRICULTURE DEPARTMENT OFFICIALS' DEALINGS WITH ESTES AND "RESTORE PUBLIC CONFIDENCE" IN THE DEPARTMENT.

5/7--GE854A

The F B I's name will
be battered around by
Freeman today.

EX-114

U.S. DEPT. OF JUSTICE

REC-34

7-16-62

MAY 15 1962

246
67 MAY 16 1962

WASHINGTON CAPITAL NEWS SERVICE

UNITED STATES GOVERNMENT

Memorandum

TO : Mr. Belmont

DATE: May 7, 1962

FROM : A. Rosen

SUBJECT: BILLIE SOL ESTES
INTERSTATE TRANSPORTATION OF
STOLEN PROPERTY - BRIBERY

Tolson _____
 Belmont _____
 Mohr _____
 Callahan _____
 Conrad _____
 DeLoach _____
 Evans _____
 Malone _____
 Rosen _____
 Sullivan _____
 Tavel _____
 Trotter _____
 Tele. Room _____
 Holmes _____
 Gandy _____

This is to set forth comments weighing the advisability of furnishing certain information to Secretary of Agriculture Freeman. It is something we should not normally do since he is a party of interest in the investigation.

However, the information is based on an interview of a Department of Agriculture employee. The employee gave us the information from certain notes which he has retained.

BACKGROUND

William E. Morris was Administrative Assistant to Assistant Secretary of Agriculture Dr. James T. Ralph. As a result of administrative action by the Department of Agriculture, he is being discharged from his job effective May 18, 1962.

In order to dismiss him he was afforded a Veterans Preference hearing. There was no cross-examination and no transcript of the proceedings was made. Some results of the hearing were made part of the summary and Assistant General Counsel [redacted] Department of Agriculture took a series of notes which were not included in the summary. [redacted] is maintaining his notes.

Based on his notes, [redacted] in interview by FBI Agents, made statements which would tend to indicate that certain prominent political personages were involved with Estes; specifically, the names of Congressman Andersen (Republican-Minnesota), Congressman Jamie Whitten (Democrat-Mississippi), Congressman George Mahon (Democrat-Texas), Senator Yarborough (Democrat-Texas), and Edmondson (Democrat-Oklahoma), were mentioned.

ACTION TAKEN

We have advised the Attorney General and furnished the Department with the summary of the hearing as well as all the available details.

Enclosure

1 - Mr. DeLoach
 1 - Mr. Evans

TWC:kak 1962

67 MAY 16 1962

11 MAY 15 1962

EX-114 REC-34

29-28704-263

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6-786
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Memorandum to Mr. Belmont
RE: BILLIE SOL ESTES

With due consideration to the fact that Freeman is a party of interest since the testimony is based on notes under his control, we feel that it is desirable for record purposes that the results of the interview be given to Freeman in writing. Thus the record will show the information we have received and prevent or someone else in the Department from changing the story.

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b7c

JS

Q

Rom

OK.

WBN

TC

*I see no
need
for this
L*

SAC San Antonio was called as a result of non-specific information submitted by him in a letter to the Director concerning the airplane owned by Vice President Johnson. This information is being submitted to the Attorney General by letter. See no need for this particular teletype to go up.

Expedite

29-28704-264

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
MAY 7 1962

TELETYPE

Mr. Tolson	✓
Mr. Belmont	✓
Mr. Mohr	
Mr. Callahan	
Mr. Conrad	
Mr. DeLoach	
Mr. Evans	
Mr. Malone	
Mr. Rosen	
Mr. Sullivan	
Mr. Tavel	
Mr. Trotter	
Tele. Room	
Miss Holmes	
Miss Gandy	

URGENT 5-7-62 8-21 PM CST JWD

TO. DIRECTOR, FBI /29-28704/

FROM. SAC, SAN ANTONIO

BILLIE SOL ESTES, ^{also known as, AND OTHERS,} AKA., ET AL, BRIBERY - CONFLICT OF INTEREST.

RE TELEPHONE CALL OF MR. WELTE TODAY CONCERNING VICE PRESIDENT JOHNSON-S AIRPLANE.

AT RECEPTION FOR NEWLY APPOINTED FEDERAL JUDGE REYNALDO GARZA, LAREDO, TEXAS, JULY TWENTY SEVEN OR TWENTY EIGHT, SIXTY ONE, UNIDENTIFIED INDIVIDUAL MADE REMARK IT WOULD HAVE BEEN NICE IF THE VICE PRESIDENT COULD HAVE USED HIS ~~QUOTE~~ "BROWN AND ROOT PLANE" ~~UNQUOTE~~ TO ATTEND. SIMILAR REMARK HEARD AT SHERIFF-S CONVENTION MC ALLEN, TEXAS, SAME WEEK.

CASUAL REMARKS IN THIS VEIN MADE SEVERAL TIMES BY PERSONS NOT RECALLED IN GROUP CONVERSATIONS WHERE I WAS PRESENT. THESE PERSONS NOT QUESTIONED TO AVOID BECOMING INVOLVED IN SUCH DISCUSSIONS.

SA WILLIAM E. OGLESBY, THIS OFFICE, ADVISED THAT AT PRIVATE PARTY IN SAN ANTONIO AT CHRISTMAS TIME, AN INSURANCE MAN WHOSE NAME IS NOT RECALLED, CLAIMED HE WROTE POLICY ON JOHNSON-S PLANE BUT POLICY NOT IN JOHNSON-S NAME AS INSURANCE MAN DID NOT KNOW JOHNSON OWNED THE PLANE. HE INDICATED THAT CHECK IN PAYMENT AFTER PLANE CRASHED WAS TURNED OVER TO ATTORNEYS NOT IDENTIFIED.

MR. BELMONT FOR THE DIRECTOR

END PAGE ONE
67 MAY 16 1962

PAGE TWO

[REDACTED] SAN ANTONIO, WHOSE IDENTITY SHOULD BE PROTECTED, [REDACTED] SA OGLESBY, HAS INDICATED GENERAL CONVERSATIONS OVER THE PAST SEVERAL MONTHS THAT INSURANCE CHECK ON PLANE HAD CAUSED CONCERN BECAUSE NO ONE WOULD CLAIM THE CHECK.

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[REDACTED] REITERATED THIS RUMOR AS RECENT AS APRIL FOUR SUGGESTING BROWN AND ROOT RUMORED TO OWN PLANE.

THIS STORY, MOSTLY IN RUMOR FORM WAS SUBMITTED AS HAVING POSSIBLE EFFECT ON ELECTION IF PUBLICIZED AFTER I OVERHEARD TWO POLITICIANS, NOT KNOWN TO ME, IN SAN ANTONIO HOTEL LOBBY DISCUSSING WHETHER THE PLANE BROWN AND ROOT GAVE JOHNSON WOULD COME UP IN THE FINAL WEEK OF THE ELECTION.

FOR BUREAU-S INFORMATION VICE PRESIDENT JOHNSON IS POPULAR SUBJECT IN POLITICAL DISCUSSIONS BY MOST PEOPLE IN TEXAS. THOSE WHO DO NOT LIKE HIM CONTINUALLY HINT HE HAS BEEN INVOLVED IN MANY THINGS TO ACQUIRE HIS APPARENT WEALTH AND CONJECTURE THIS BECAUSE OF PAST ALLEGED ASSOCIATION WITH OWNERS OF BROWN AND ROOT. NO INQUIRIES OR QUESTIONS HAVE BEEN POSED BECAUSE OF SPECULATIVE AND GENERAL NATURE OF COMMENTS AND REMARKS ALL ATTRIBUTABLE TO FEELINGS ON POLITICAL MATTERS.

END AND ACK PLS

WA 10-29 PM OK FBI WA LVS

TU LVS DISC

M

CC-MR. ROSEN

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
MAY 8 1962
TELETYPE

Mr. Tolson	
Mr. Belmont	
Mr. Mohr	
Mr. Callahan	
Mr. Conrad	
Mr. DeLoach	
Mr. Evans	
Mr. Malone	
Mr. Rosen	
Mr. Sullivan	
Mr. Tavel	
Mr. Trotter	
Tele. Room	
Miss Holmes	
Miss Gandy	

URGENT 5-8-62 2-48 PM JLW

TO DIRECTOR 3 29-28704 AND SACS DALLAS AND EL PASO

FROM SAC NEW YORK 87-26066 2P

BILLIE SOL ESTES., ET AL, ITSP - MF., CONSPIRACY /OO - EL PASO/. RE
DALLAS TEL TO BUREAU FIVE SEVEN SIXTYTWO AND NEW YORK AIRTEL TO
BUREAU /CC DALLAS AND EL PASO/ FOUR FOUR SIXTYTWO.

RE NEW YORK AIRTEL FORWARDED DALLAS ONE COPY FD THREE ZERO TWO,

[REDACTED] CIT CORP., NEW YORK CITY. EL PASO
FURNISHED TWO PHOTOSTATS EACH FIVE CHATTEL MORTGAGES ALONG WITH
PHOTOSTATS CHECKS ISSUED SUPERIOR BY CIT.

IT IS NOTED [REDACTED] ADVISED ONLY CONTRACTS IN EXCESS OF ONE HUNDRED
THOUSAND DOLLARS FORWARDED NEW YORK OFFICE CIT FOR APPROVAL AND
COMPANIES DOING BUSINESS WITH CIT HAD NO REASON TO BELIEVE ANY
CONTRACTS FORWARDED NEW YORK. ADVISED [REDACTED] CONTRACTS NEGOTIATED
BY CIT WITH EXCEPTION OF FIVE FURNISHED WERE IN HANDS CIT, DALLAS,
END PAGE ONE

MR. BELMONT FOR THE DIRECTOR

67 MAY 16 1962

PAGE TWO

AND HE WOULD INSTRUCT THEM TO FURNISH SAME TO THE FEDERAL BUREAU OF INVESTIGATION.

[] ADVISED FIVE EIGHT SIXTYTWO IN ORDER TO FURNISH INFORMATION^{b6}_{b7c} REQUESTED NECESSARY TO REVIEW ALL CONTRACTS AND ESTIMATED SUCH REVIEW WOULD TAKE ONE WEEK. ADVISED HE DOES NOT HAVE PERSONNEL OR SPACE AVAILABLE FOR SUCH A REVIEW AND INASMUCH AS HE HAS PREVIOUSLY FURNISHED CONTRACTS TO THE FEDERAL BUREAU OF INVESTIGATION, HE DOES NOT FEEL IT ENCUMBENT UPON HIM TO MAKE ADDITIONAL COPIES AT THIS TIME. HE ADVISED IF HE WAS GIVEN LOAN NUMBERS HE WOULD MAKE AVAILABLE COPIES ANY SPECIFIC DOCUMENTS NECESSARY. [] STATED ALL DETAILS CIT DEALINGS IN HANDS CIT, DALLAS.

EL PASO FURNISH COPIES OF MATERIAL PREVIOUSLY FORWARDED BY NEW YORK TO DALLAS. DALLAS SHOULD REVIEW FD THREE ZERO TWO FORWARDED BY NEW YORK AND DISCUSS WITH APPROPRIATE USA IN VIEW OF CRUMP-S STATEMENT AS TO TRANSPORTATION OF DOCUMENTS.

ESTES MAY HAVE SUICIDAL TENDENCIES.

END

NY R 3 WA RAM

CC-MR. ROSEN

UNITED STATES GOVERNMENT

Memorandum

TO : Mr. Evans

DATE: 5/8/62

FROM : W. V. Cleveland

SUBJECT: HORACE DAVID GODFREY
SPECIAL INQUIRY - WHITE HOUSE

161-185

Tolson	_____
Belmont	_____
Mohr	_____
Callahan	_____
Conrad	_____
Felt	_____
Gale	_____
Rosen	_____
Sullivan	_____
Tavel	_____
Trotter	_____
Tele. Room	_____
Holmes	_____
Gandy	_____

W. H. BURKE

A Special Inquiry investigation was conducted concerning Godfrey for White House in 1/61. Position involved not stated. His professional associates, neighbors and social acquaintances interviewed during the investigation stated they held him in high regard. He has been employed by the Department of Agriculture in North Carolina, from 1934 to 1961 in various administrative positions. He is presently the Administrator of the Agricultural Stabilization and Conservation Service of the Department of Agriculture, Washington, D. C.

BILLIE SOLO ESSES

[redacted] Godfrey in the Department of Agriculture in North Carolina, who has known Godfrey since 1934 has now furnished the Charlotte Office with general accusations concerning Godfrey. These accusations are of an administrative nature; however, one of the accusations concern Godfrey's alleged association with a female in a hotel room during a convention held 4/61 in Asheville, North Carolina. This was subsequent to our investigation of Godfrey.

[redacted] general accusations concerned gambling from 1955 to early 1961 by Agricultural officials and employees at Agricultural meetings in Raleigh, North Carolina. [redacted] also alleged that Godfrey showed partiality in connection with granting of contracts for delivery of Federal supplied lime to farmers (late 1940's to 1955), and in the purchase of air conditioning units for the Department of Agriculture (1957). He also alleged Godfrey purchased a car in 1956 and possibly received a discount on purchase of the car. He did name individuals in the Department of Agriculture who engaged in gambling with Godfrey, but had no positive information regarding the other allegations stating that they were merely rumors among the Department of Agriculture officials in North Carolina. Identities not known to him.

In regard to the information furnished by [redacted] it is noted that during our investigation eight Department of Agriculture and North Carolina State officials who have known and worked with Godfrey for many years were interviewed and spoke highly of Godfrey. They stated he is a capable individual, an excellent administrator,

1 - Mr. Rosen
Enclosures
WHB:mrl (6)

67 MAY 16 1962

MAY 15 1962

XEROX

29-28704 NOT RECORDED

NOT RECORDED MAY 14 1962

126 MAY 15 1962

Spec. Inv.

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ORIGINAL FILED

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b7C

Memorandum to Mr. Evans
RE: HORACE DAVID GODFREY

and a dependable, honest and trustworthy individual. They stated Godfrey in 1957 was the recipient of a superior service award from the Department of Agriculture, and he has received national recognition in connection with his work in the field of agriculture.

Fifteen other persons, which included social acquaintances, neighbors, the pastor of his church, the Vice President of the bank of Charlotte, the farm editor of the Raleigh, North Carolina, newspaper "The News and Observer," when interviewed furnished favorable comments concerning Godfrey, and they also recommended him for a position of trust and confidence.

On 5/7/62 Mr. O'Donnell at the White House advised that the foregoing information should not be furnished to the Department of Agriculture at this time. He said he will advise the Bureau when this information should be disseminated to that department.

ACTION:

The attached transmittal letter and summary memorandum be furnished to the White House. Also, in view of the circumstances, the attached transmittal letter and summary memoranda be furnished to the Attorney General and Deputy Attorney General. The White House is being advised that no investigation is being conducted regarding above information in absence of a specific request.

WFB
JD
O
V
AC

F B I

Date: 5/9/62

Transmit the following in _____

PLAIN TEXT

(Type in plain text or code)

Via TELETYPE

URGENT

(Priority or Method of Mailing)

TO: DIRECTOR, FBI (29-28704) AND SACS DALLAS (58-188) AND
EL PASO (29-351)

FROM: SAC, WFO (87-8242)

BILLIE SOL ESTES, ET AL

BRIBERY; COI
(OO:DL)

REREP OF SA MANNING C. CLEMENTS, APRIL TWENTY LAST AT DALLAS; DALLAS AIRTEL TO WFO MAY ONE LAST; BUREAU AIRTELS TO WFO MAY THREE, SEVEN AND EIGHT LAST; DALLAS TELETYPE TO BUREAU MAY SEVEN LAST; AND WFO AIRTEL TO BUREAU MAY FOUR LAST.

ON INSTANT DATE DR. JAMES T. RALPH, FORMER ASSISTANT SECRETARY, UNITED STATES DEPARTMENT OF AGRICULTURE PAREN USDA END PAREN, SIGNED SWORN STATEMENT AT WFO INCORPORATING RESULTS OF INTERVIEW WITH HIM ON MAY EIGHT LAST AT WFO. IN SWORN STATEMENT DR. RALPH AGAIN STATES THAT THE PANTS OF AT LEAST ONE OF THE SUITS HE TRIED ON AT NEIMAN BASH MARCUS STORE ON SEPTEMBER EIGHT SIXTYONE WERE MARKED OR PINNED UP. HE ADVISED THAT THE CLERKS IN THE STORE WERE AGGRESSIVE AND THE MARKING OR PINNING TOOK PLACE AT THE INSTIGATION OF THE CLERKS AND ESTES. HE HAS NO KNOWLEDGE THAT ANY SALES SLIPS OR ALTERATIONS TICKETS WERE PREPARED CONCERNING ANY SUITS HE TRIED ON. HE ADVISED THAT HE DID NOT TELL

② - Bureau

2 - Teletype Unit

1 - New York (BY MAIL)

1 - Richmond (58-185) (BY MAIL)

1 - WFO

AJS:skh

(7)

11 MAY 15 1962

Sent _____

M

Per _____

Special Agent in Charge

F B I

Date:

Transmit the following in _____
(Type in plain text or code)Via _____
(Priority or Method of Mailing)WFO 87-8242
PAGE TWO

ANY CLERK IN THE STORE OR ESTES THAT HE WOULD TAKE THE SUITS, DID NOT PURCHASE THE SUITS AND DID NOT AUTHORIZE ESTES TO PURCHASE SUITS FOR HIM. HE ADVISED THAT ESTES DID NOT GIVE HIM ANY SUITS THAT HE TRIED ON AT THE STORE ON SEPTEMBER EIGHT SIXTYONE OR ANY TIME AND THESE SUITS WERE NOT SENT TO HIM EITHER BY THE STORE OR ESTES IN EITHER DALLAS, WASHINGTON, D. C., OR AT HIS RESIDENCE IN MCLEAN, VIRGINIA. HE DOES NOT REMEMBER HAVING ANY CONTACTS WITH ESTES IN WASHINGTON, D. C., DURING PERIOD SEPTEMBER SIXTEEN TO TWENTY, SIXTYONE, ALTHOUGH STATES THAT IF THIS WAS PERIOD THAT NATIONAL COTTON ADVISORY COMMITTEE MEETING WAS HELD THAT HE WOULD HAVE SEEN ESTES IF HE WAS AT THE MEETING IN WASHINGTON, D. C., DURING THESE DATES.

HE FURTHER CLAIMS THAT WHILE IN STORE ON SEPTEMBER EIGHT, SIXTYONE, HE ONLY TRIED ON A PAIR OF ALLIGATOR SHOES AND DOES NOT RECALL TRYING ON OTHER TYPES OF SHOES ON THIS DATE. HE HAS NO DIRECT KNOWLEDGE THAT ESTES PURCHASED ANY CLOTHING OR SHOES AT THE NEIMAN DASH MARCUS STORE AND HAD SUCH ITEMS SENT TO THE SHERATON DASH DALLAS HOTEL IN DALLAS AND DENIES RECEIVING ANY SHOES FROM ESTES.

Approved: _____ Sent _____ M Per _____
Special Agent in Charge

F B I

Date:

Transmit the following in _____
(Type in plain text or code)Via _____
(Priority or Method of Mailing)WFO 87-8242
PAGE THREE

HE CLAIMS HE VISITED NEIMAN DASH MARCUS STORE ON OCTOBER TWENTYFOUR, SIXTYONE, FOR PURPOSE OF EXCHANGING TWO SHIRTS FOR HIS FATHER DASH IN DASH LAW, PETER MC CULLOCH WHO IS RETIRED AND RESIDES WITH RALPH. RALPH PRODUCED ON INSTANT DATE A PAPER DATED MAY NINE INSTANT CAPTIONED QUOTE STATEMENT OF PETER MC CULLOCH END QUOTE WHICH IS SIGNED PETER MC CULLOCH. IN THE STATEMENT MC CULLOCH STATES THAT ON OR ABOUT OCTOBER ONE, SIXTYONE, HE RECEIVED IN THE MAIL A PACKAGE CONTAINING SIX SHIRTS AND TO BEST OF HIS MEMORY THE PACKAGE WAS MAILED BY A MR. WILSON OF DALLAS, TEXAS. HE DID NOT NOTICE THE POSTMARK ON THE PACKAGE. HE STATES THAT ON OCTOBER TWENTYFOUR, SIXTYONE, HE HAD RALPH EXCHANGE TWO OF THE SHIRTS WHICH WERE COLORED FOR WHITE SHIRTS WHILE IN DALLAS. MC CULLOCH CLAIMS IN THE STATEMENT THIS THE EXTENT OF HIS KNOWLEDGE OR MEMORY ON THE SHIRTS SENT TO HIM.

RALPH IN HIS SIGNED STATEMENT AGAIN ADMITTED RECEIVING TWO ONE HUNDRED DOLLAR POSTAL MONEY ORDERS /PMOS/ FROM ESTES IN EARLY JANUARY, LAST. HE CLAIMS WILLIAM E. MORRIS, HIS ASSISTANT, ADVISED HIM THAT HE HAD ALSO RECEIVED A PMO FROM ESTES.

Approved: _____ Sent _____ M Per _____
Special Agent in Charge

F B I

Date:

Transmit the following in _____
(Type in plain text or code)Via _____
(Priority or Method of Mailing)WFO 87-8242
PAGE FOUR

RALPH STILL CLAIMS THAT MORRIS TYPED UP A MEMORANDUM SETTING OUT THE INFORMATION CONCERNING THE PMOS WHICH HE SIGNED AND MORRIS SENT TO SECRETARY OF AGRICULTURE FREEMAN. RALPH STATED HE HAS BEEN UNABLE TO LOCATE A COPY OF THE MEMORANDUM TO DATE. HE ALSO CLAIMED THE MEMORANDUM TO THE BEST OF HIS RECOLLECTION COVERED THE PMO RECEIVED BY MORRIS.

N. BATTLE HALES, FORMER STAFF ASSISTANT, STATE AND COUNTY OPERATIONS, AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE /ASCS/, USDA, CONTACTED ON INSTANT DATE FOR CLARIFICATION CONCERNING PERTINENT DOCUMENTS CONTAINED IN HIS FORMER FILES RELATING TO THE ESTES COTTON POOLED ALLOTMENT CASE SET FORTH IN REFERENCED WFO AIRTEL MAY FOUR LAST.

HALES ADVISED AT THIS TIME THAT THE DOCUMENTS EXHIBITED TO HIM WERE ONLY EXAMPLES, POINTED OUT THAT THE ESTES MATTER WAS A COMPLEX SITUATION AND EACH DOCUMENT IN HIS FORMER FILES HAS A BEARING IN THIS MATTER. HE STATED THAT HE BELIEVED THAT IF ANYTHING OF VALUE WAS TO BE OBTAINED FROM HIM IN THIS MATTER THAT HE WOULD NEED TO HAVE AVAILABLE FOR REVIEW RECORDS AND DOCUMENTS IN HIS FORMER FILES.

Approved: _____ Sent _____ M Per _____
Special Agent in Charge

F B I

Date:

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(Priority or Method of Mailing)WFO 87-8242
PAGE FIVE

INQUIRY THIS DATE WITH OFFICE OF GENERAL COUNSEL /GC/,
USDA, DETERMINED THAT VOLUMINOUS RECORDS ARE AVAILABLE CONCERNING
ESTES FINANCIAL STATEMENTS FURNISHED USDA REGARDING GRAIN
WAREHOUSING ACTIVITIES. RECORDS CONSIST OF CONTRACTS, APPLICATIONS
FOR APPROVAL AS WAREHOUSEMAN, FINANCIAL STATEMENTS, CORRESPONDENCE
AND MISCELLANEOUS DOCUMENTS. USDA BEGAN INVESTIGATION RE
ACCURACY OF FINANCIAL STATEMENTS, BUT DISCONTINUED WHEN ADVISED
BY [REDACTED] UNITED STATES DEPARTMENT OF JUSTICE /USDJ/
[REDACTED] TO DISCONTINUE INVESTIGATION AND HE WOULD HAVE FBI
CONDUCT INVESTIGATION. GC, USDA, ALSO UNDERSTANDS FROM NEWSPAPER
ARTICLES AND EITHER THROUGH [REDACTED] TEXAS, [REDACTED]
[REDACTED] THAT INTERNAL
REVENUE SERVICE/IRS/ ALSO CONDUCTING INVESTIGATION OF ESTES
FINANCIAL MATTERS.

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SENATE MC CLELLAN COMMITTEE HAS ALSO REQUESTED DATA
REGARDING ESTES FINANCIAL AFFAIRS AND DOCUMENTS BEING FURNISHED
BY USDA TO THIS COMMITTEE. JAMES NAUGHTON, COUNSEL, CONGRESSIONAL
COMMITTEE /FOUNTAIN COMMITTEE/ HAS ALSO REQUESTED MATERIAL FROM
USDA REGARDING ESTES AFFAIRS BUT INFORMATION, ^{FURNISHED} TO DATE NOT
PRIMARILY RELATED TO ESTES FINANCIAL STATUS.

Approved: _____ Sent _____ M Per _____
Special Agent in Charge

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PAGE SIX

[REDACTED] ASSISTANT TO DEPUTY GC, USDA, ADVISED THAT WALTER C. BERGER, COMMERCIAL SOLVENTS COMPANY, ATTENDED TWO CONFERENCES HELD AT USDA ON APRIL TWENTYSIX AND MAY THREE LAST, WHICH MEETINGS WERE REQUESTED BY [REDACTED] FOR ESTES ESTATE AND THE CREDITORS OF THE ESTATE TO DISCUSS THE POSSIBILITY OF THE RECEIVERS CONTINUING TO OPERATE THE STORAGE FACILITIES OF ESTES UNDER AUTHORIZATION AND APPROVAL BY THE COURT AND UNDER TERMS SATISFACTORY TO THE COMMODITY CREDIT CORPORATION /CCC/. GOVERNMENT MADE NO COMMITMENTS AS TO HOW LONG THE GRAIN WILL REMAIN IN STORAGE IN ESTES ELEVATORS. USDA INFORMED BY OFFICIALS OF COMMERCIAL SOLVENTS THAT ABOUT FIFTYSIX AND FIFTYSEVEN THEY STARTED SELLING ANHYDROUS AMMONIA TO ESTES ON OPEN CREDIT AND IN FIFTYEIGHT, ESTES OWED ABOUT TWO HUNDRED AND FIFTY THOUSAND DOLLARS. COMMERCIAL SOLVENTS MADE ESTES A NINE HUNDRED THOUSAND DOLLAR, FIVE YEAR LOAN, TWO HUNDRED AND FIFTY THOUSAND DOLLARS OF WHICH WAS USED TO PAY OFF OUTSTANDING OBLIGATIONS TO COMMERCIAL SOLVENTS. IN FIFTYNINE, COMMERCIAL SOLVENTS TOOK ASSIGNMENT FROM CCC OF ALL MONIES BEING PAID TO ESTES, DOING BUSINESS AS UNITED ELEVATORS FOR GRAIN STORAGE. THIS ASSIGNMENT AND GRAIN STORAGE AGREEMENT HANDLED

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BY ASCS OFFICE IN DALLAS WHO HAVE FULL RESPONSIBILITY IN THIS FIELD. ALL PAYMENTS ON ASSIGNMENT ARE MADE BY ASCS OFFICE IN DALLAS AND DETAILS REGARDING ASSIGNMENT ARE MAINTAINED IN FISCAL FILE IN ASCS OFFICE, DALLAS.

DALLAS WAREHOUSING FILES IN PROCESS OF BEING PHOTOSTATED FOR [REDACTED] USDJ. USDA, DALLAS, PRESENTLY CONDUCTING INVESTIGATION TO DETERMINE IF ESTES HAS INTERESTS IN OTHER ELEVATORS. USDA ALSO CHECKING WITH THEIR LOCAL COMMODITY OFFICES TO DETERMINE WHAT DEALINGS THEY HAVE HAD WITH COMMERCIAL SOLVENTS WHILE EMPLOYED AT USDA, BERGER WAS IN CHARGE OF ADMINISTRATION OF GRAIN STORAGE AND COTTON ALLOTMENT PROGRAMS, BUT ALL DECISIONS WERE MADE ON LOCAL LEVELS. [REDACTED] KNOWS OF NO CLOSE CONTACTS OF BERGER IN USDA AT PRESENT TIME.

FILES OF WFO REVEAL INVESTIGATION CONDUCTED IN FIFTYSIX CONCERNING WALTER CHARLES BERGER, SPI, USDA, BUREAU FILE SEVENTY SEVEN DASH SEVEN TWO SIX ONE TWO; WFO FILE SEVEN SEVEN DASH FIVE SEVEN SIX SEVEN EIGHT. INVESTIGATION DISCLOSED BERGERS PERSONNEL FILE REFLECTED A QUESTION OF A CONFLICT OF INTEREST ON BERGERS PART, BUT RESOLVED BY USDA OFFICIALS NOTING NO APPARENT CONFLICT OF INTEREST EXISTED FOR APPOINTEE IN CONNECTION

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Special Agent in Charge

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WITH HIS FORMER EMPLOYER THE SHEA CHEMICAL COMPANY, BALTIMORE,
MARYLAND. INVESTIGATION REFLECTED THAT [REDACTED]

[REDACTED] CONCERNING BERGER, CRITICIZING HIM
FOR POLICIES IN HIS OFFICE IN USDA AND POINTING OUT THAT BERGER
WAS SUBJECT OF A POSSIBLE CONFLICT OF INTEREST CASE.

ROLAND F. BALLOU, ASSISTANT DEPUTY ADMINISTRATOR, FURNISHED
SUBSTANTIALLY THE SAME INFORMATION AS [REDACTED] HE ALSO INDICATED
IT WAS NOT UNUSUAL FOR AN ASSIGNMENT OF GRAIN STORAGE REVENUE
TO BE DATED PRIOR TO DATE OF THE GRAIN STORAGE AGREEMENT. AS A
RULE THE LOCAL ASCS OFFICE ACCEPTS ALL ASSIGNMENTS IF DULY
ACQUIRED BY BOTH PARTIES. MC CLELLAN COMMITTEE HAS REQUESTED
PERTINENT DOCUMENTS FROM BALLOUS FILE, COPIES OF WHICH WILL
ALSO BE FURNISHED TO [REDACTED] USDJ.

REFERENCE DALLAS TELETYPE MAY SEVEN LAST. RECORDS REA
EXPRESS, WASHINGTON, D. C., REVEAL THAT ON SEPTEMBER FIFTEEN,
SIXTYONE, NEIMAN DASH MARCUS, DALLAS, SENT ONE PACKAGE TO
BILLIE SOL ESTES AT THE WASHINGTON HOTEL, WASHINGTON, D. C.,
PROBILL NUMBER FIVE THREE THREE NINE EIGHT ONE. NO DECLARED
VALUE ON SHIPMENT WHICH WEIGHT WAS TWELVE POUNDS AND THE AIR
CHARGES WERE SIX DOLLARS AND FORTYFOUR CENTS. THIS SHIPMENT

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Special Agent in Charge

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WFO 87-8242

PAGE NINE

TRAVELED BY AIR FREIGHT AND WAS RECEIVED BY [REDACTED] ON
SEPTEMBER SIXTEEN, SIXTYONE, AT TWO THIRTY O'CLOCK P.M.

[REDACTED] WASHINGTON HOTEL,
CONTACTED INSTANT DATE, IDENTIFIED SIGNATURE OF [REDACTED]
ON PHOTOSTAT COPY OF PROBILL NUMBER FIVE THREE THREE NINE EIGHT
ONE AS HIS. HE DOES NOT RECALL THE SPECIFIC CARTON RECEIVED
ON INSTANT PROBILL CLAIMING HE RECEIVES TEN TO FIFTEEN SUCH
ITEMS EACH DAY. STATES IN NORMAL COURSE OF BUSINESS, BOX
WOULD HAVE BEEN TURNED OVER TO EITHER HOTEL ASSISTANT MANAGER
OR BILL BOYS. CONTACT ^{MADE} WITH [REDACTED]
^{hotel} ADVISED AS WHEN ^{MADE} PREVIOUSLY CONTACTED BY WFO, THAT NO RECORD
MADE OF OTHER THAN INSURED OR REGISTERED MAIL ITEMS. [REDACTED]
HAS NO KNOWLEDGE OF INSTANT CARTON NOR DOES THE [REDACTED]
[REDACTED]

[REDACTED]
HOTEL WASHINGTON, AND [REDACTED] ADVISED THAT THEY WERE CONTACTED
BY JACK N. PRICE, ASSISTANT ATTORNEY GENERAL OF TEXAS AND
ANOTHER UNIDENTIFIED INDIVIDUAL SEVERAL DAYS AGO, WHO WENT
THROUGH THE RECORDS OF THE WASHINGTON HOTEL TO DETERMINE IF
ESTES HAD STAYED AT THE HOTEL DURING THE PERIOD JULY THROUGH

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Special Agent in Charge

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WFO 87-3242

PAGE TEN

DECEMBER, SIXTYONE. ACCORDING TO [] THEY DID NOT LOCATE A RECORD FOR ESTES HAVING REGISTERED AT THE HOTEL. IT IS POINTED OUT IN THIS CONNECTION THAT WFO HAS DETERMINED THAT ESTES WAS REGISTERED AT THE HOTEL FOR THE PERIOD SEPTEMBER SEVENTEEN THROUGH TWENTY, SIXTYONE.

PRICE AND THE OTHER INDIVIDUAL ALSO ASKED []

[] IF A PACKAGE HAD BEEN DELIVERED FROM NEIMAN DASH MARCUS STORE TO THE HOTEL FOR ESTES. [] TOLD THESE INDIVIDUALS THAT NO RECORD IS MAINTAINED FOR OTHER THAN REGISTERED OR INSURED MAIL.

ACCORDING TO PERSONNEL CONTACTED AT THE WASHINGTON HOTEL, PRICE AND THIS INDIVIDUAL WITH HIM DID NOT HAVE A COPY OF PROBILL NUMBER FIVE THREE THREE NINE EIGHT ONE.

[] PRICE DIVISION, ASCS, PRODUCED A COPY OF MINUTES OF QUOTE THE COTTON ADVISORY COMMITTEE MEETING IN WASHINGTON, D. C. /SEPTEMBER NINETEEN TO TWENTY, SIXTYONE/ END QUOTE. THE MINUTES REVEALED THAT BILLIE SOL ESTES OF TEXAS WAS IN ATTENDANCE AT THIS MEETING AND ONE OF THE USDA PEOPLE PRESENT /FOR VARYING PERIODS OF TIME / WAS ASSISTANT SECRETARY TO FREEMAN, RALPH. ACCORDING TO [] ESTES WAS

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Special Agent in Charge

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ALSO IN WASHINGTON, D. C., ON SEPTEMBER EIGHTEEN, SIXTYONE,
ATTENDING A SUBCOMMITTEE MEETING OF THE COTTON ADVISORY
COMMITTEE. ACCORDING TO [REDACTED] RALPH DID NOT ATTEND THE
MEETING ON SEPTEMBER EIGHTEEN, SIXTYONE.

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DALLAS IS REQUESTED TO RECHECK THE RECORDS OF THE NEIMAN
DASH MARCUS STORE DURING THE PERIOD PRIOR TO OCTOBER ONE, SIXTYONE,
IN AN EFFORT TO DETERMINE IF ANY RECORD LOCATED OF PURCHASE OF
SIX ^{TEEN} DOLLAR AND NINETYFIVE CENT SHIRTS MADE BY A MR WILSON. IT
IS NOTED THAT RALPH'S FATHER DASH IN DASH LAW, MC CULLOCH STATES
SIX SHIRTS RECEIVED BY HIM ON OR ABOUT OCTOBER ONE, SIXTYONE.

EL PASO REQUESTED TO CHECK RECORDS OF POST OFFICE AT EL
PASO TO DETERMINE IF PARCEL POST PACKAGE SENT FROM EL PASO SEVERAL
DAYS PRIOR TO OCTOBER ONE, SIXTYONE, BY WILSON TO MC CULLOCH
AT FIVE NINE TWO TWO SEACLIFF ROAD, MC LEAN, VIRGINIA.

WFO WILL HOLD IN ABEYANCE INTERVIEW OF MC CULLOCH PENDING
CHECK OF RECORDS OF NEIMAN DASH MARCUS AND EL PASO POST OFFICE.

DALLAS WILL REVIEW FISCAL FILES OF ASCS OFFICE FOR PERTINENT
INFORMATION REGARDING ASSIGNMENT OF GRAIN STORAGE FEES TO
COMMERCIAL SOLVENTS COMPANY BY ESTES.

Approved: _____ Sent _____ M Per _____
Special Agent in Charge

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Date:

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(Priority or Method of Mailing)WFO 87-822
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DALLAS AND EL PASO ARE TO CONDUCT APPROPRIATE INVESTIGATION TO DETERMINE EXTENT OF INVESTIGATION BY IRS REGARDING ESTES FINANCIAL AFFAIRS, REGARDING GRAIN WAREHOUSING ACTIVITIES.

COPY OF TELETYPE TO NEW YORK FOR INFORMATION DUE TO THEIR INTEREST IN COMMERCIAL SOLVENTS COMPANY.

FOR INFORMATION OF THE RICHMOND DIVISION, RALPH MADE AVAILABLE TO WFO FINANCIAL STATEMENTS CONCERNING HIS ACCOUNTS AT THE FAIRFAX COUNTY NATIONAL BANK AND OTHER BANK ACCOUNTS LOCATED IN LEXINGTON, KENTUCKY, AND SACRAMENTO, CALIFORNIA. WFO WILL EXAMINE THESE ACCOUNTS WFO CONTACTING OTHER PERSONNEL WASHINGTON HOTEL FOR INFORMATION CONCERNING CARTON RECEIVED ON SEPTEMBER SIXTEEN BY ESTES.

WFO HOLDING IN ABEYANCE FUTURE CONTACT WITH HALES AND REVIEW OF RECORDS IN HIS FORMER FILES PENDING INSTRUCTIONS FROM THE BUREAU.

WFO HOLDING IN ABEYANCE INVESTIGATION OF ESTES FINANCIAL STATEMENTS IN GRAIN WAREHOUSING ACTIVITIES PENDING ADVISE FROM EL PASO, DALLAS AND BUREAU IN ORDER TO AVOID DUPLICATING OF INVESTIGATIVE EFFORT.

ESTES REPORTED TO HAVE SUICIDAL TENDENCIES. P

Approved: _____ Sent _____ M Per _____
Special Agent in Charge

UNITED STATES GOVERNMENT

Memorandum

TO : Mr. Belmont

DATE: May 9, 1962

FROM : A. Rosen

SUBJECT: **BILLIE SOL ESTES
INTERSTATE TRANSPORTATION
OF STOLEN PROPERTY - BRIBERY**

Tolson _____
Belmont _____
Mohr _____
Callahan _____
Conrad _____
DeLoach _____
Evans _____
Malone _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

[redacted] of the Department, who is handling the Sol Estes matter, telephonically advised SA Curran on this date that the Department was going to forward a request for further investigation into the deaths of Henry H. Marshall and George A. Krutilek. Both of these individuals had some connection in the Estes case and died under mysterious circumstances. [redacted] was informed by Curran that there did not appear to be any jurisdiction for the investigation, however, that we would advise further after the request had been received.

HENRY H. MARSHALL

The Department, by memorandum dated April 27, 1962, requested a discreet inquiry as to the cause of the death of Marshall in accordance with the coroner's report and whether or not Marshall was covered under the Assaulting of Federal Officer Statute.

The Department was advised by letter dated May 4, 1962, of the facts concerning Marshall's employment with the Department of Agriculture. It was pointed out that discreet inquiry disclosed that Mr. Marshall was shot five times by a .22 caliber bolt-action rifle while on his farm at Franklin, Texas. A copy of the certificate of death for Mr. Marshall, dated June 12, 1961, stated that Marshall died of "gunshot wounds--self-inflicted--suicide--4:00 to 5:00 p.m., June 3, 1961."

The statutes covering the assaulting of a Federal officer specifically state what personnel are covered. The Department was advised that Mr. Marshall was not covered by the statute and that no further inquiry would be made in the absence of a specific request. REC-34 29-28704-267

Marshall was connected to the Estes investigation by the fact that at the time of his death he was one of the men concerned with an investigation of Estes' activities, according to Secretary of Agriculture Freeman's statement to the press.

1 - Mr. DeLoach

1 - Mr. Evans

TWC:ige

(8) 67 MAY 16 1962

MAY 15 1962
XEROX

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Memorandum to Mr. Belmont
Re: BILLIE SOL ESTES

GEORGE A. KRUTILEK

DELETED

Krutilek, a certified public ^{T.A.}accountant who had worked for Estes, was found dead in his automobile on April 5, 1962. Krutilek was a "finder" for Estes in that he located farmers who would be interested in entering into the fraudulent transactions with Estes. Local authorities first believed he had died from carbon monoxide fumes and thereafter concluded that he had actually died of heart failure.

ACTION

After receipt of the request, appropriate recommendations will be made; however, it appears on the basis of the facts known that there is no legitimate basis for FBI jurisdiction in this particular request.

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UNITED STATES GOVERNMENT

Memorandum

Tolson	✓
Belmont	✓
Mohr	
Callahan	
Conrad	
DeLoach	✓
Evans	✓
Malone	
Rosen	✓
Sullivan	
Tavel	
Trotter	
Tele. Room	
Holmes	
Gandy	

TO : Mr. Belmont

DATE: May 11, 1962

FROM : A. Rosen

SUBJECT: BILLIE SOL ESTES
INTERSTATE TRANSPORTATION OF
STOLEN PROPERTY - BRIBERY

A request has been received from the Department that we conduct investigation into the deaths of Henry H. Marshall and George A. Krutilek. Marshall was formerly an Agriculture Department official who was found dead June 3, 1961, from five bullet wounds from a rifle that had to be pumped each time it was fired. His death was ruled a suicide. Krutilek, a Certified Public Accountant who had worked for Estes, was found dead in his automobile on April 5, 1962. Krutilek was a "finder" for Estes in that he located farmers who would be interested in entering into fraudulent activities with Estes. Local authorities first believed he had died from carbon monoxide fumes and thereafter concluded that he had actually died of heart failure.

It appears that this is a matter in which we have no investigative jurisdiction; however, since the Department has made this specific request there does not appear to be any basis for us to refuse to conduct the investigation in view of the importance of the Estes matter.

Offices conducting this investigation are being instructed to proceed cautiously so as to, if possible, avoid inquiries from the press indicating the FBI is thoroughly investigating this matter. They are to determine the qualifications of the individual (coroner or doctor) who determined cause of death of each; basis on which ruling was made; what evidence he had; what evidence is now available such as bullets, guns, etc.; did local police investigate deaths; determine if bodies in decomposed condition at time bodies were found; review local police investigation; review newspaper morgue for articles which appeared at time of deaths; dates of burial of each. The Department of Agriculture personnel file on Marshall will be reviewed by an Agent of the Washington Field Office. This file is in possession of Departmental Enclosure *sent 5-11-62*

- 1 - Mr. DeLoach
- 1 - Mr. Evans

GEB:lmc/bm
(8)

18 MAY 14 1962

EX-111
MAY 15 1962
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67 MAY 16 1962

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Memorandum to Mr. Belmont
Re: BILLIE SOL ESTES

ACTION:

Investigating Offices are being instructed to complete this investigation by May 16, 1962. After this phase of the investigation is completed, this matter will again be discussed with the Department to determine if any additional investigation is desired. Teletype to Dallas, San Antonio, El Paso and Washington Field attached.

It is pointed out that this inquiry should be conducted with view to establishing whether there is any connection between Marshall's death, the death of Mr. George A. Krutilek, and the activities of Billie Sol Estes.

G.B.
W.H.
Ram
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V.
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UNITED STATES GOVERNMENT

Memorandum

TO : Mr. Belmont *WB*

DATE: May 9, 1962

FROM : A. Rosen *ARM*SUBJECT: BILLIE SOL ESTES
INTERSTATE TRANSPORTATION
OF STOLEN PROPERTY - BRIBERY

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 Tele. Room _____
 Holmes _____
 Gandy _____

This is in connection with a news item which appeared in United Press International on May 7, 1962, which stated, in part, "Freeman said he was withholding any final opinion on Ralph pending an FBI report."

This is the exact duplicate of the statement which appeared in a similar release on April 30, 1962, in which the same remark was made by an Assistant to the Secretary of Agriculture. As a result of the item which appeared on April 30, we advised the Attorney General by letter dated May 1, that Secretary Freeman was advised telephonically on April 25, 1962, and by a confirming letter on April 26, 1962, that our investigation of the bribery allegation against Ralph was complete unless and until there is some evidence of official action by Department of Agriculture employees. Secretary Freeman was advised by letter dated May 1, 1962, that we had completed investigation of Dr. Ralph and referred him to the Department with reference to any action or information.

The Department, in response to a request by us, advised on May 1, 1962, that they were unable to reach a decision as to whether a bribery did or did not exist. The Department advised that they were in the process of requesting further investigation and would advise us when a decision was reached. Since then, we have obtained at the Department's request the transcripts of the hearings held by State Attorney General Wilson and these were given to the Department this morning. It is believed that a review of the transcripts of the hearings is the further investigation to be done by the Department.

ENCLOSURE

The news release dated May 7, 1962, also contains a statement attributed to Freeman that "as soon as he received reports that Estes had relations with the department 'other than appropriate' he called for a complete review and sent the information to the FBI."

- 1 - Mr. DeLoach
- 1 - Mr. Evans

REC-34

18 MAY 14 1962

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EX-114

(8) 67 MAY 16 1962

Memorandum to Mr. Belmont
Re: BILLIE SOL ESTES

Actually, the Department of Agriculture stated that they first became aware of the gifts to employees by Estes on Wednesday, April 11, 1962, at which time they initiated an investigation. Our liaison Agent contacted the Department of Agriculture on April 13, 1962, since the information from both our Dallas Office and in the press made it appear that there was sufficient basis for a bribery investigation. The Department of Agriculture did furnish the information to our liaison Agent when contacted. The statement is partially incorrect in that they furnished the information when we went to them rather than sent it to us. Since it could be that Mr. Freeman was advised the information had been sent through liaison channels, which would in effect be true, it is not felt that we should get into a discussion about this matter.

ACTION:

Since we have previously advised Secretary Freeman of the incorrectness of his stand and he has specifically ignored our previous advice to him, it is not felt that we should enter into further discussion of the matter.

Since the Department on May 1, 1962, advised that they were aware of our request for an opinion on the bribery violation at the earliest opportunity and planned to review the transcripts, it is not felt that an additional letter to the Department is necessary at this time. However, after the transcript is reviewed, we will again request an opinion from the Department.

GRE

RFM

Q

WRW

TC

✓

JS

Tolson ☒
 Belmont ☒
 Mohr ☒
 Callahan ☒
 Conrad ☒
 DeLoach ☒
 Evans ☒
 Malone ☒
 Rosen ☒
 Sullivan ☒
 Tavel ☒
 Trotter ☒
 Tele. Room ☒
 Holmes ☒
 Gandy ☒

UPI-106

ADD 2 ESTES, WASHINGTON (UPI-86)

FREEMAN SAID ESTES' APPOINTMENT TO THE NATIONAL ADVISORY COTTON COUNCIL WAS RECOMMENDED BY A NUMBER OF PEOPLE IN THE COTTON INDUSTRY AND THAT THEY WERE ENDORSED BY SEN. RALPH YARBOROUGH, D-TEX.

AT THAT TIME, THE CABINET MEMBER SAID, THAT HE HAD NEVER MET ESTES, THAT HE DID NOT KNOW HIS NAME OR REPUTATION, AND THAT THE ACTUAL APPOINTMENT TO THE COUNCIL WAS MADE BY AN UNDERSECRETARY CHARLES S. MURPHY.

MURPHY INTERJECTED TO SAY THAT VICE PRESIDENT LYNDON B. JOHNSON HAD MADE NO RECOMMENDATION CONCERNING THE APPOINTMENT.

IN REGARD TO THE THREE DEPARTMENT EMPLOYEES, FREEMAN SAID THAT SO FAR AS HE KNEW THERE HAD BEEN NO ADVERSE REPORT ON THE APPOINTMENT OF JACOBS. HE SAID THAT MORRIS WAS APPOINTED UNDER CIVIL SERVICE REGULATIONS. RALPH WAS NAMED TO HIS POST BY FREEMAN.

RALPH, THE SECRETARY SAID, DENIED THAT HE PURCHASED ANYTHING WHILE ACCOMPANIED BY ESTES, BUT ADMITTED THAT HE WAS FITTED FOR SOME CLOTHING. FREEMAN SAID RALPH DENIED BOTH TO HIM AND UNDER OATH IN TEXAS THAT HE ACCEPTED ANYTHING FROM ESTES.

FREEMAN SAID HE WAS WITHHOLDING ANY FINAL OPINION ON RALPH PENDING AN FBI REPORT. RALPH IS UNDER APPOINTMENT AS AN AGRICULTURAL ATTACHE TO THE PHILIPPINES. *What is the status?*

FREEMAN SAID THERE HAD BEEN NO PRESSURE PUT ON HIM TO DROP THE DEPARTMENT'S INVESTIGATION OF THE ESTES CASE.

"I WOULD VIOLENTLY REJECT ANY SUCH PRESSURE," FREEMAN SAID. IT WAS LEARNED, MEANWHILE, THAT RALPH OFFERED HIS RESIGNATION TO FREEMAN ON APRIL 16.

A SOURCE SAID FREEMAN AND RALPH DISCUSSED THE QUESTION OF WHETHER RALPH SHOULD REMAIN ON THE GOVERNMENT PAYROLL WHILE THE CASE WAS UNDER INVESTIGATION. THE INFORMANT SAID FREEMAN AT ONE POINT RECOMMENDED THAT RALPH RESIGN, BUT WHEN THE SUBORDINATE LATER OFFERED TO QUIT, FREEMAN DID NOT ACCEPT THE OFFER.

RALPH SAID TODAY HE WAS STILL GOING ABOUT HIS PREPARATIONS TO GO TO THE PHILIPPINES.

FREEMAN SAID THAT RALPH'S DEMOTION AS ASSISTANT SECRETARY TO THE POST OF AGRICULTURAL ATTACHE HAD NOTHING TO DO WITH THE ESTES CASE.

5/7--GE151P

ENCLOSURE

REC-34

29-28704-269

EX-114

18 MAY 14 1962

WASHINGTON CAPITAL NEWS SERVICE

Memorandum
 5-9-62 TWC:J

Tolson _____
 Belmont _____
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 Tele. Room _____
 Holmes _____
 Gandy _____

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 UPI-110

ADD 3 ESTES, WASHINGTON

FREEMAN SAID "NO" WHEN ASKED IF HE KNEW OF ANY POLITICAL CONTRIBUTIONS EVER BEING SOLICITED FROM ESTES.

FREEMAN WAS ASKED IF HE HAD EVER MET ESTES. HE SAID THAT TO HIS BEST RECOLLECTION HE MET ESTES ONE DAY WHEN THE TEXAN WAS IN THE DEPARTMENT TO CONFER WITH GENERAL COUNSEL JOHN BAGWELL.

FREEMAN SAID UNDER QUESTIONING ABOUT THE DEPARTMENT ACTION IN LOCKING N. BATTLE HALES FROM HIS OFFICE, WHICH CONTAINED ESTES FILES, THAT THE ACTION WAS TAKEN BECAUSE IT WAS POSSIBLE NATIONAL SECURITY WAS INVOLVED. HE DID NOT PURSUE THIS FURTHER.

HALES MADE A CHARGES OF FAVORITISM IN THE ESTES CASE AGAINST DEPARTMENT OFFICIALS IN A NEWS CONFERENCE LAST WEEK.

AT FREEMAN'S REQUEST, HORACE GODFREY, ADMINISTRATOR OF ASCS, SAID THERE WERE LOTS OF FILES IN HALES' OFFICE AND THAT WHEN HALES WAS TRANSFERRED TO ANOTHER OFFICE HE HAD NO USE FOR THE ESTES FILES.

FREEMAN SAID HE HAD LAID DOWN A HARD RULE ABOUT GIFT TAKING BY THE DEPARTMENT.

"YOU GOTTA BE PURE--YOU GOTTA LOOK PURE," FREEMAN SAID.

"THAT IS A HARD RULE BUT THAT'S THE WAY I WANT IT."

THE SECRETARY OPENED HIS CONFERENCE WITH THE STATEMENT HE WANTED THESE POINTS "SHARPLY IN FOCUS."

--THAT THE INVESTIGATION, ARREST AND INDICTMENT OF ESTES WAS CONDUCTED BY THE DEPARTMENT OF JUSTICE IN THIS ADMINISTRATION.

--THAT AS SOON AS HE RECEIVED REPORTS THAT ESTES HAD RELATIONS WITH THE DEPARTMENT "OTHER THAN APPROPRIATE" HE CALLED FOR A COMPLETE REVIEW AND SENT THE INFORMATION TO THE FBI.

AT ONE POINT FREEMAN SAID, "I DO NOT WANT TO MAKE IT APPEAR THAT THIS (CASE) IS NOT IMPORTANT. BUT IT HAS BALLOONED OUT OF ALL IMPORTANCE. THERE IS NO EVIDENCE THAT ANY OF THE THREE EMPLOYEES MADE ANY DECISION THAT FAVORED BILLY SOL ESTES." *29-28704-269* **ENCLOSURE**

FREEMAN SAID ONE OF THE MOST PERPLEXING ELEMENTS IN THE ESTES COTTON CASE IS THE FACT THAT NO ONE IS NOW SURE WHAT INSTRUCTIONS WERE GIVEN TO COUNTY OFFICIALS IN TEXAS WHO HANDLED ESTES PROPOSAL TO TRANSFER COTTON ALLOTMENTS MORE THAN A YEAR AGO. THE DEPARTMENT OFFICIALS WHO GAVE INSTRUCTIONS TO THE COMMITTEES ORIGINALLY, HENRY MARSHALL, IS DEAD.

"WHAT HAPPENED IN THESE TEXAS COUNTIES IS SOMETHING NOBODY KNOWS BECAUSE THE KEY MAN IS NOT ALIVE," FREEMAN SAID. *18 MAY 14 1962*

5/7--EG212PED

EX-114

WASHINGTON CAPITAL NEWS SERVICE

As this correct?

H.

F B I

Date: 5/10/62

Transmit the following in _____
(Type in plain text or code)

Via AIRTEL AIR MAIL
(Priority or Method of Mailing)

Mr. Tolson _____
Mr. Belmont _____
Mr. Mohr _____
Mr. Callahan _____
Mr. Conrad _____
Mr. DeLoach _____
Mr. Evans _____
Mr. Malone _____
Mr. Rosen _____
Mr. Sullivan _____
Mr. Tavel _____
Mr. Trotter _____
Tele. Room _____
Miss Holmes _____
Miss Gandy _____

TO: DIRECTOR, FBI 29-28704)
FROM: SAC, EL PASO (58-59)
RE: BILLIE SOL ESTES; ET AL
BRIBERY; CONFLICT OF INTEREST
OO: DALLAS

Re: Check of Telephone Records Pecos, Texas.

Enclosed to Bureau and offices receiving, the indicated number of 302's concerning results of telephone company record check at Pecos, Texas.

Bureau disseminate to Department and offices receiving obtain listing on telephone numbers your division, UACB.

Dallas include in your next report.

_____ made the records available to indicated agents.

There is no Mountain States Telephone and Telegraph Company in Pecos. The phone company is West Texas Communications Corporation.

ESTES MAY HAVE SUICIDAL TENDENCIES.

3 - Bureau (Encls. 5) ENCLOSURE 2 - San Antonio (Encls. 2)
2 - Dallas (58-188) (Encls. 25) 2 - WFO (Encls. 2)
2 - Minneapolis (Encls. 2) 2 - El Paso (58-59)
2 - Omaha (Encls. 2) 2 - _____ (2-31)
2 - Richmond (Encls. 2) JRM/jcs
(17)

REC-34

18 MAY 14 1962

C. C. Wick

Approved: _____

Sent _____

Per _____

Special Agent in Charge

67 MAY 16 1962

*2 copies of Encl. 5-12-62
delivered to
Supt. 5-12-62
retained in
573
b6
b7C
6-786
7-1-62
5-11-62
5-11-62*

Date May 10, 1962

The following is a review of Recordak film of the West Texas Communication Corporation, 312 South Cypress, Pecos, Texas, re toll charges pertaining to below listed numbers for period January 1, 1961 to present:

The original toll tickets have been furnished the customer; however, the film showing these charges can be obtained through issuance of a subpoena to [redacted]

b6
b7C

445-2507 ESTES residence
445-3317 ESTES residence
445-5707 ESTES residence
445-3807 Private unlisted number at Estes Enterprises

This review generally limited to all charges applying to above listed numbers on calls to or from any number in D. C. or State of Virginia.

Date	From: Name & No.	To:	Time Filed	Length of call
1/3/61	ESTES 3807	Sen. RALPH YARBOROUGH, CA 4-3121, D.C.	2:19 PM	16"
1/30/61	3807	[redacted] D.C.	10:55 AM	15" b6
2/9/61	ESTES 3807	CARL J. MILLER RE 7-4142, X 4269, D.C.	3:12 PM	7" b7C
2/15/61	" "	[redacted] D.C.	11:29 AM	3"
2/16/61	-- "	CARL MILLER, RE 7-4142, X 4269, D.C.	1:32 PM	3"
3/16/61	ESTES "	" " " " "	3:21 PM	10"
4/19/61	" "	MORRIS, RE 7-4142, X 5287, D.C.	2:12 PM	13"
5/18/61	" "	BILL MORRIS " " "	11:17 AM	6"
"	" "	CARL J. MILLER, RE 7-4142, X 4269, D.C.	11:32 AM	3"
"	" "	RUTHERFORD, CA 4-3121, X 3635, D.C.	2:05 PM	9"
"	" "	[redacted] " [redacted] D.C.	2:35 PM	7"
6/19/61	" 5707	-----, EL 6-4521, McLean, Va.	8:05 PM	12"
7/25/61	" 3807	[redacted] CA [redacted] D.C.	1:31 PM	7"
7/24/61	" "	MORRIS, RE 7-4142, X 3111, D.C.	2:45 PM	6"
8/14/61	" "	Sen. RALPH YARBOROUGH, Neg. attempt at Hilton Hotel, EP	8:40 AM	--

On 5/8,9/62 Pecos, Texas File # EP 58-59
by SA [redacted] / jcs Date dictated 5/10/62

b6
b7C

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

29-28704-270
ENCLOSURE

EP 58-59

Date	From: Name & No.	To:	Time Filed	Length of call
8/17/61	---- 3807	CA 4-3121, X 5922, D.C.	11:30 AM	1"
"	ESTES 3807	BILL MORRIS, RE 7-4142, X 3111, D.C.	11:14 AM	5"
"	" "	[REDACTED] D.C.	1:04 PM	2" b6
-/-/61	[REDACTED]	YARBOROUGH, D.C. - collect to ESTES	--	-- b7C
		at 3807 Pecos		
9/5/61	---- 3807	[REDACTED] Va.	4:30 PM	10"
9/5/61	ESTES "	MORRIS, DU 8-7043, D.C.	3:17 PM	2"
9/11/61	---- "	DU 8-3111, D.C.	3:13 PM	3"
9/26/61	---- 2507	[REDACTED] D.C.	2:31 PM	14"
10/11/61	ESTES 3317	YARBOROUGH, GR 8-2573, Austin, Tex.	10:08 PM	9"
9/26/61	" 3807	Sen. YARBOROUGH, CA 4-3121, X 5922, D.C.	7:20 PM	5"
10/12/61	---- "	CA 5-2000, D.C.	10:49 AM	1"
10/11/61	---- "	BILL MORRIS, RE 7-4142, X 5287, D.C.	1:51 PM	3"
11/18/61	Cr Cd 445-3317	-L221-Sen RALPH YARBOROUGH, GR 8-2573, Austin, Tex	---	9"
11/16/61	ESTES 3807	BILL MORRIS, RE 7-4142, X 7043, D.C.	10:48 AM	9"
11/15/61	" "	" " " "	10:22 AM	12"
11/22/61	---- "	RALPH YARBOROUGH, GR 8-2573, Austin, Tex	1:55 PM	1"
12/13/61	ESTES 3317	BILL MORRIS, RE 7-4142, X 3111, D.C.	2:55 PM	8"
12/27/61	" 3807	MORRIS, DU 8-3111, D.C.	11:24 AM	8"
12/27/61	---- "	[REDACTED] D.C.	3:30 PM	5"
12/28/61	ESTES "	Sen. YARBOROUGH, GR 8-2573, Austin	7:05 PM	27"
1962				
1/2/62	---- 3807	BILL MORRIS, RE 7-4142, X 7043, D.C.	2:03 PM	4"
1/2/62	ESTES "	JOHN BAGWELL, " X 3351, D.C.	10:06 AM	4"
1/4/62	" "	[REDACTED] D.C.	3:52 PM	3"
1/12/62	" "	[REDACTED] D.C.	11:08 AM	4"
1/12/62	---- "	CA 4-3121, X 5922, D.C.	9:35 AM	5"
1/14/62	---- 3317	EX 3-2216, D.C.	2:11 AM	3"
2/2/62	ESTES 2507	BILL MORRIS, DU 8-7043, D.C.	8:40 AM	15"
2/1/62	" "	JACOBS, RE 2-4142, X 3415, D.C.	7:09 PM	12"
2/2/62	" 3807	JERRY HOLLIMAN, CL 6-9155, D.C.	4:13 PM	13"
2/2/62	---- "	RALPH, PO 5-7917, Lubbock, Tex.	11:32 AM	4"
2/5/62	---- "	JACOBS, 3418326, Rm. 1017, Omaha, Neb.	12:23 PM	6"
2/14/62	---- 2507	KELLY, AD 2-7700, X 538, D.C.	10:05 PM	2"

EP 58-59

Date	From Name & No.	To	Time Filed	Length of call	
2/16/62	ESTES 2507	-- EL 6-4521, McLean, Va.	10:30 PM	3"	
2/18/62	----	-- EL 6-4521, " "	2:14 PM	19"	
2/19/62	---- 3807	BILL MORRIS, RE 7-4142, X 7043, D.C.	3:37 PM	3"	
2/21/62	ESTES "	[REDACTED] D.C.	4:02 PM	20"	b6
2/26/62	" "	[REDACTED] Minn.	4:37 PM	7"	b7c
3/5/62	" "	[REDACTED] D.C.	9:04 AM	9"	
3/5/62	" "	RALPH, LI 5-0441, Rm 104, Mpls, Minn.	10:24 AM	6"	
3/7/62	" "	[REDACTED] D.C.	9:02 AM	8"	
3/7/62	" "	[REDACTED] D.C.	12:00 PM	4"	
3/9/62	" "	[REDACTED] D.C.	4:00 PM	6"	
3/9/62	" "	EMERY JACOBS, RE 7-4142, X 3415, D.C.	4:13 PM	7"	
3/12/62	" "	[REDACTED] D.C.	11:20 AM	4"	
3/13/62	----	[REDACTED] D.C.	3:20 PM	9"	
3/15/62	ESTES "	[REDACTED] D.C.	8:42 AM	4"	
3/15/62	" "	[REDACTED] D.C.	3:32 PM	1"	
3/15/62	" "	WM. E. MORRIS, RE 7-4142, X 7043, D.C.	--	6"	
3/20/62	" "	[REDACTED] D.C.	9:12 AM	4"	
3/23/62	" "	[REDACTED] D.C.	9:17 AM	4"	
3/29/62	" "	---- CA [REDACTED] D.C.	4:02 PM	2"	

Toll tickets pertaining to public phones in Pecos and surrounding area also reviewed. The following toll ticket pertaining to Public Telephone #2712 at Balmorhea, Texas noted:

April 13, 1962 at 4:05 AM, CST, call made by person giving name of ESTES, person to person to Dr. JAMES RALPH, McLean, Virginia, telephone number EL 6-7221. Caller deposited \$1.00 in pay phone and balance required on 10 minute call charged to McLean, Virginia, number

The above review failed to locate any incoming collect calls from 356-7221, McLean, Virginia, charged to the four Pecos numbers searched.

In addition to the above listed four phone numbers at Pecos assigned to ESTES, three additional numbers are assigned to Billie Sol Estes Enterprises. These are 445-4916, 4917 & 4918. Telephone credit card #445-4917-K221 is assigned to ESTES.

~~GENERAL INVESTIGATIVE~~ DIVISION

Date 5/10/62

Incoming indicates McClellan Committee is commencing examination of Estes' records. No request has been received from the McClellan Committee by the FBI, but indication is that same may be forthcoming. Request will be evaluated when received and recommendations made.

AB₆

29-28704- 271

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
MAY 9 1962

TELETYPE

Mr. Tolson ✓
Mr. Belmont ✓
Mr. Mohr ✓
Mr. Callahan ✓
Mr. Conrad ✓
Mr. DeLoach ✓
Mr. Evans ✓
Mr. Malone ✓
Mr. Rosen ✓
Mr. Sullivan ✓
Mr. Tavel ✓
Mr. Trotter ✓
Tele. Room ✓
Miss Holmes ✓
Miss Gandy ✓

DEFERRED 5-9-62 4-59 PM MST IJP
TO - DIRECTOR, FBI
FROM - SAC, EL PASO "58-59" 2-PAGES

also known as, AND OTHERS, Interstate Transportation of Stolen Property
BILLIE SOL ESTES, AKA. ET. AL., ITSP - BRIBERY.

FOR THE INFORMATION OF THE BUREAU, [REDACTED]

b6
b7C

[REDACTED] AT PECOS CONCERNING BILLIE
SOL ESTES ENTERPRISES, CALLED PERSONALLY AT THE EL PASO OFFICE TODAY
AND ADVISED THAT A MR. DONALD O-DONNEL WHO SAID HE WAS WITH THE
MC CLELLAN COMMITTEE HAD CONTACTED HIM TELEPHONICALLY AND ASKED HIM
TO PRODUCE THE RECORDS OF BILLIE SOL ESTES ENTERPRISES IN WASHINGTON
ON A CERTAIN DATE IN THE NEAR FUTURE. [REDACTED] SAID HE POINTED OUT
TO MR. O-DONNEL THAT IF THIS WERE DONE THERE WOULD BE NO FURTHER
ACTIVITY IN THE RECEIVERSHIP. O-DONNEL THEN SAID HE WOULD SEND A MAN
TO PECOS TO PHOTOGRAPH THE RECORDS AND ASKED IF THE RECEIVER HAD ALL
THE RECORDS. [REDACTED] ID HE TOLD O-DONNEL THAT HE THOUGHT HE HAD
ALL THE RECORDS BUT THE FBI MIGHT HAVE A FEW AND SUGGESTED TO MR.
O-DONNEL THAT HE WORK OUT WITH THE FBI HEADQUARTERS ANY PROBLEMS HE
MIGHT HAVE PHOTOGRAPHING MATERIAL IN THE HANDS OF THE FBI.

SPECIAL AGENT

SA [REDACTED] WHO IS WORKING AT PECOS ADVISED THAT THE

b6
b7C

RECORDS OF THE WEST TEXAS COMMUNICATIONS CORPORATION, PECOS, TEXAS,
THE TELEPHONE COMPANY OF PECOS, HAS RECEIVED A SUBPOENA FROM THE

END PAGE ONE

MAY 16 1962

MR. BELMONT FOR THE DIRECTOR

SEE REVERSE SIDE FOR
ADD. DISSEMINATION.

PAGE TWO

MC CLELLAN COMMITTEE. THERE WAS SOMETHING TECHNICALLY WRONG WITH THE
SUBPOENA AND [REDACTED] OF THE PHONE COMPANY, ADVISED SA
[REDACTED] THAT THE MC CLELLAN COMMITTEE INFORMED HIM THAT THEY WERE
SENDING A MAN TO EXAMINE THE RECORDS OF THE PHONE COMPANY.

b6
b7c

AS A MATTER OF INCIDENTAL INTEREST, ^{COLUMBIA BROADCASTING SYSTEM} ~~CBS~~ NEWS SERVICE IS IN PECOS
AT THE PRESENT TIME DOING A GREAT DEAL OF PHOTOGRAPHING OF THE TOWN.

AND M

AND MAGAZINES LIKE FORTUNE AND LIFE HAVE ALREADY BEEN THERE.

DALLAS ADVISED AIR MAIL.

ESTES MAY HAVE SUICIDAL TENDENCIES.

END AND ACK

~~CORRECTION - PAGE TWO OMIT LINE SEVEN~~

ACK PLS

8-07 PM OK FBI WA NH

TU DISC

T

CC-MR. ROSEN

UNITED STATES GOVERNMENT

*Memorandum*TO : Mr. Rosen *Puz*

DATE: May 10, 1962

FROM : W. B. Welte *W*SUBJECT: BILLIE SOL ESTES
INTERSTATE TRANSPORTATION
OF STOLEN PROPERTY - BRIBERY

Tolson	_____
Belmont	_____
Mohr	_____
Callahan	_____
Conrad	_____
DeLoach	_____
Evans	_____
Malone	_____
Rosen	_____
Sullivan	_____
Tavel	_____
Trotter	_____
Tele. Room	_____
Holmes	_____
Gandy	_____

I checked with Supervisor Grant Nanna of the Washington Field Office to determine whether or not the field office had possession of any of the original records of the Sheraton, Statler, Washington, or Shoreham Hotels in connection with this case. He assured me that the Washington Field Office did not have any of the original records of these hotels.

WBW:ige
(5)

REC- 34

29 28704-272

18 MAY 14 1962

246
67 MAY 16 1962

F B I

Date: 5/11/62

Transmit the following in _____
(Type in plain text or code)Via AIRTEL _____
(Priority or Method of Mailing)

Mr. Tolson	_____
Mr. Belmont	_____
Mr. Mohr	_____
Mr. Callahan	_____
Mr. Conrad	_____
Mr. DeLoach	_____
Mr. Evans	_____
Mr. Malone	_____
Mr. Rosen	_____
Mr. Sullivan	_____
Mr. Tavel	_____
Mr. Trotter	_____
Tele. Room	_____
Miss Holmes	_____
Miss Gandy	_____

TO: DIRECTOR, FBI (29-28704)

FROM: SAC, WFO (87-8242) (P)

BILLIE SOL ESTES, ET AL.
 BRIBERY - CONFLICT OF INTEREST
 (OO:DE) *Rebuairetel 5/10/62*

Enclosed herewith for the Bureau are four copies of a letterhead memorandum setting forth information received from EDWARD M. LOWEREE, Chief, Division of Investigations, United States Department of Agriculture (USDA), by SAs [redacted] on 5/11/62, concerning JAMES A. MC CONNELL. One copy of the letterhead memorandum is also enclosed for the Dallas Division inasmuch as that division is office of origin.

In addition to the information set forth in the enclosed letterhead memorandum, it was noted that the official security file pertaining to JAMES A. MC CONNELL reflected that FBI investigative summaries dated 1/3/55, 1/5/55, and 2/18/57, had been furnished to the USDA.

LOWEREE advised that MAX P. REID, Assistant Director, Office of Personnel, USDA, had been telephonically contacted on 5/3 and 5/4/62, by [redacted] of the "Houston Post," concerning the employment of JAMES A. MC CONNELL at USDA. LOWEREE stated that WEST requested information from REID concerning the service rendered by MC CONNELL as a Consultant to the Secretary of Agriculture from the period 1/19/59, to 1/18/60. He said [redacted] was advised that the personnel folder of MC CONNELL was presently in St. Louis, Mo., and that all that it was possible to tell from records presently maintained at USDA was that MC CONNELL had been employed

- 3- Bureau (Enc.4)
 1- Dallas (Enc.1) (58-188) (AM)
 1- WFO

ENCLOSURE

EWV:dab
 (5)

REC-34

EX-114

C. C. Wick AIRTEL

Approved: *246*
 Special Agent in Charge

67 MAY 16 1962

Sent *29-28704-273*
 MAY 14 1962

WFO 87-8242

to serve as a Consultant to the Secretary to advise him on problems in connection with Government price-support, storage and sales programs on agricultural commodities, particularly those relating to cotton and tobacco. He said [] was advised that the personnel records did not reflect the name or identification of specific officials with whom MC CONNELL might have consulted while employed as a Consultant. In addition, [] requested information as to how much service MC CONNELL rendered during the period 1/19/59, to 1/18/60, and he was advised that MC CONNELL had worked for period of 20 days between January and December, 1959, at a salary of \$53.76 per day for which he received compensation in the amount of \$1,092.

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b7C

LOWEREE also advised that the official personnel record folder of WALTER C. BERGER had been requested by the USDA from the Federal Record Center at St. Louis, Mo., but that this personnel file has not as yet been received. He said he would contact Agents of WFO when such file is received.



UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

In Reply, Please Refer to
File No.

WASHINGTON 25, D. C.

May 11, 1962

BILLIE SOL ESTES
ET AL.
BRIBERY; CONFLICT OF INTEREST

On May 11, 1962, Edward M. Loweree, Chief, Division of Investigations, Office of Personnel, Office of the Secretary, United States Department of Agriculture (USDA), furnished the official personnel record file and security file of James A. McConnell, a former Consultant and former Assistant Secretary of Agriculture, to Agents of the Federal Bureau of Investigation (FBI).

The official personnel record folder and security file contained the following information concerning James A. McConnell:

His full name was listed as James Asher McConnell and his date of birth was given as August 25, 1891, at Mansfield, Pennsylvania. His Social Security number was listed as 072-03-3224.

McConnell's wife was listed as Lois Annette Zimmerman McConnell and it was indicated that he had two daughters and one son.

The file indicated that from 1908 until 1912 McConnell attended the Mansfield Normal School at Mansfield, Pennsylvania, receiving a Bachelor of Science degree in teaching.

The following places of employment were shown for McConnell during the periods indicated:

1912 to 1917	Reportedly a farmer and teacher
March 19, 1921 to August 31, 1922	Associate Instructor, School of Agriculture, Cornell University
1922 to 1924	Fieldman and Mill Superintendent for Cooperative Grange League Federation Exchange Incorporated (GLF), Ithaca, New York

29-28704-273
ENCLOSURE

RE: BILLIE SOL ESTES

1925 to 1928 GLF Representative and Department Head for Allied Mills, Peoria, Illinois.

1928 to 1935 Manager, Wholesale Services, GLF, Buffalo, New York.

(McConnell was granted leave during 1935 to organize a feed molasses department for the Commercial Molasses Corporation, New York City.)

1936 to 1952 Assistant General Manager, GLF, Ithaca, New York.

1952 to 1954 Executive Vice President, GLF, Ithaca, New York.

On November 30, 1953, Mc Connell entered on duty as a Consultant to the Secretary of Agriculture, USDA, on a "when actually employed basis." On February 15, 1954, the appointment as a Consultant was terminated and McConnell was granted a leave of absence (apparently from GLF) to accept an appointment with USDA as the Administrator of the Commodity Stabilization Service (CSS). The file reflects that at the time of this appointment, McConnell was a trustee of Cornell University, as well as a trustee of the Tompkins County Trust Company, Ithaca, New York.

On January 23, 1955, McConnell terminated his position with the USDA as Administrator of CSS to accept a position as Assistant Secretary of Agriculture, which appointment was confirmed on January 24, 1955. McConnell served in this position until his resignation on December 31, 1955.

On January 5, 1956, McConnell was appointed as a Consultant to the Secretary of Agriculture, GS-15, with headquarters at Ithaca, New York. His salary was stated as \$12,690 per annum, but he was to be paid on a "when actually employed basis." McConnell resigned from this position as a Consultant to the Secretary of Agriculture at the close of business on February 15, 1957, to carry on other activities.

RE: BILLIE SOL ESTES

On January 19, 1959, McConnell was again appointed to the position of Consultant to the Secretary of Agriculture, GS-15, with headquarters at Ithaca, New York. His salary was given as \$13,970 per annum with payment to be made on a "when actually employed basis." McConnell's service as a Consultant to the Secretary of Agriculture was extended on April 19, 1959, and again on July 1, 1959, and he served in this position until his term expired on January 18, 1960.

The file also revealed that on February 13, 1957, McConnell became a member of the Commodity Credit Corporation Advisory Board, Washington, D.C., at \$50 per day. A personnel action form appeared in the folder indicating that McConnell had resigned from this position on February 15, 1957; however, another personnel action form also appeared in the file reflecting that McConnell resigned from this position on February 19, 1957.

A letter from the USDA, addressed to the Department of State, Washington, D. C., dated February 6, 1961, revealed that McConnell was one of four individuals nominated for membership in the United States Delegation to the Second Phase of the Fifth Round of Tariff Negotiations to be held at Geneva, Switzerland, on February 15, 1961.

The file reflects that McConnell served in the United States Navy, Serial Number 133-30-98, from July 30, 1918, until he received his honorable discharge on September 30, 1921.

The file contains Standard Form 75, a position description for McConnell when he was appointed as Consultant on November 30, 1953. This form is a United States Civil Service Commission (CSC) form. The form describes the duties of McConnell as a Consultant to the Office of the Secretary of Agriculture as follows:

"Serves as a Consultant to the Secretary of Agriculture and advises him on problems in connection with the production and distribution of food; consults and advises on the policies governing present and prospective food production and distribution programs and any changes in policies or programs necessary to secure the greatest efficiency and effectiveness of these activities."

RE: BILLIE SOL ESTES

The file contains Optional Form 8 of the United States CSC which describes the position of McConnell as a Consultant to the Office of Secretary of Agriculture, which became effective on January 19, 1959. The description of his position is as follows:

"Serves as a Consultant to the Secretary of Agriculture and advises him on problems in connection with Government price-support, storage and sales programs on agricultural commodity, particularly those relating to cotton and tobacco."

The file reveals that when McConnell was appointed as a Consultant to the Office of the Secretary on November 30, 1953, at a salary of \$10,800 per year to be paid on a "when actually employed basis," he actually served and was paid as follows:

<u>Pay Period Ending</u>	<u>Actual Days Worked</u>	<u>Total Days Worked</u>	<u>Amount Paid</u>
1/16/54	12/2-4,8,9,16-18/53; 1/4-7/54	12	\$498.24
2/13/54	1/28,29/54	2	83.04
2/27/54	2/6,12/54	2	83.04
		<u>16</u>	<u>\$664.32</u>

The file reveals that when McConnell was appointed as a Consultant to the Office of the Secretary on January 5, 1956, at a salary of \$12,690 per annum to be paid on a "when actually employed basis," he performed duties and was paid on the following dates:

<u>Pay Period Ending</u>	<u>Actual Days Worked</u>	<u>Total Days Worked</u>	<u>Amount Paid</u>
1/14/56	1/5,6/56	2	\$ 89.28
1/28/56	1/20,21/56	2	89.28
2/25/56	2/20,21/56	2	89.28
3/10/56	3/4-6/56	3	133.92
6/16/56	4/23,24; 5/31; 6/1,5/56	<u>5</u>	<u>223.20</u>
		14	\$624.96

RE: BILLIE SOL ESTES

<u>Pay Period</u> <u>Ending</u>	<u>Actual Days</u> <u>Worked</u>	<u>Total Days</u> <u>Worked</u>	<u>Amount</u> <u>Paid</u>
9/8/56			<u>*58.24</u>
			\$683.20

*Covers difference in pay between \$44.64 and \$48.80 paid while actually employed due to error made in computation of original annual salary.

3/23/57	2/12/57	<u>1</u>	<u>48.80</u>
		15	<u>\$732.00</u>

The file reflects that when McConnell was appointed as a Consultant to the Office of the Secretary on January 19, 1959, at a salary of \$13,970 per annum or \$53.76 per diem "when actually employed," he actually performed services and was paid on the following dates:

<u>Pay Period</u> <u>Ending</u>	<u>Actual Days</u> <u>Worked</u>	<u>Total Days</u> <u>Worked</u>	<u>Amount</u> <u>Paid</u>
2/7/59	1/19-22 and 6½ hours on 1/23/59	4 days 6½'	\$258.72
3/21/59	2/16-19/59	4	215.04
5/16/59	3/9-12/59	4	215.04
7/25/59	7/14-17/59	4	215.04
12/12/59	12/9-11 and ½ day on 12/8/59	3½ days	188.16
		<u>20 days 2½'</u>	<u>\$1,092.00</u>

The file also revealed that from the period October 8, 1934, until December 6, 1934, McConnell served as a Consultant to the Agricultural Adjustment Administration on a "when actually employed basis."

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

UNITED STATES GOVERNMENT

ST Memorandum

TO : The Director

DATE: 5-11-62

Q FROM : N. P. Callahan

SUBJECT: The Congressional Record

Pages 7523-7524. Senator Mundt, (R) South Dakota, spoke concerning the case of Billie Sol Estes. He included two articles from the New York Herald Tribune of May 9, 1962, entitled "No Favors for Estes? -- It Depends on What You Call Favoritism" and "The Estes Case Mysteries: An Investigation Needed." It was stated in the second article "On the record thus far it seems fair to say the Department's handling of the Estes matter has been uneven. Mr. Freeman brought in the FBI at an early stage, and the Justice Department brought about the arrest and indictment of Estes for fraud. But I see no adequate explanation of why the Department of Agriculture was willing to honor this man with continued service on the National Cotton Advisory Committee many months after the most dubious aspects of his manipulations were evident to officials investigating them." These two articles also appeared in the Congressional Record for May 9, 1962.

Original filed in: 66-1731-2124

29-28704-
NOT RECORDED
167 JUN 1 1962

In the original of a memorandum captioned and dated as above, the Congressional Record for 5-10-62 was reviewed and pertinent items were marked for the Director's attention. This form has been prepared in order that portions of a copy of the original memorandum may be clipped, mounted, and placed in appropriate Bureau case or subject matter files.

60 JUN 1 1962
99

F B I

Date: 5/11/62

Transmit the following in _____
(Type in plain text or code)Via AIRTEL _____
(Priority or Method of Mailing)

TO: DIRECTOR, FBI (29-28704)

FROM: SAC, WFO (87-8242) (P)

BILLIE SOL ESTES, ET AL
BRIBERY; CONFLICT OF INTEREST
(OO:DL)

Re Bureau telephone call 5/11/62.

Enclosed herewith for the Bureau are four copies of a LHM dated and captioned as above. One copy is sent to the Dallas Office for information.

The confidential source mentioned in the LHM is who furnished information to SA WILFRED L. BERGERON.

Telephone toll calls furnished by are incomplete as this source only has available information concerning such calls dating back to approximately May, 1961, and in some cases telephone numbers called were not available.

Complete information concerning telephone calls as set out in LHM would be contained on IBM cards located with the telephone company in Richmond, Virginia, inasmuch as the telephone exchanges in LHM are located in Arlington and Fairfax Counties, Virginia.

REC-34

ESTES REPORTED TO HAVE SUICIDAL TENDENCIES.

ENCLOSURE

- ③ - Bureau (Enc. 4)
1 - Dallas (58-188) (Enc. 1) (AM)
2 - WFO

AJS:ddt
(6)AIRTEL

C. C. Wick

Mr. Tolson	_____
Mr. Belmont	_____
Mr. Mohr	_____
Mr. Casper	_____
Mr. Callahan	_____
Mr. Conrad	_____
Mr. DeLoach	_____
Mr. Evans	_____
Mr. Gale	_____
Mr. Rosen	_____
Mr. Sullivan	_____
Mr. Tavel	_____
Mr. Trotter	_____
Tele. Room	_____
Miss Gandy	_____

b7D

18 MAY 14 1962

b6
b7CApproved: 46
Special Agent in Charge

Sent _____ M Per _____

67 MAY 16 1962



UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

*In Reply, Please Refer to
File No.*

WASHINGTON 25, D. C.
May 11, 1962

BILLIE SOL ESTES, ET AL
BRIBERY; CONFLICT OF INTEREST

On May 2, 1962, a confidential source advised that the following telephone toll calls were made from and to the telephone numbers listed below of the following individuals for the dates set forth:

[A large rectangular box, likely intended for a list of telephone calls, is present but empty.]

b7D

29-28704-274
ENCLOSURE

BILLIE SOL ESTES, ET AL

b7D

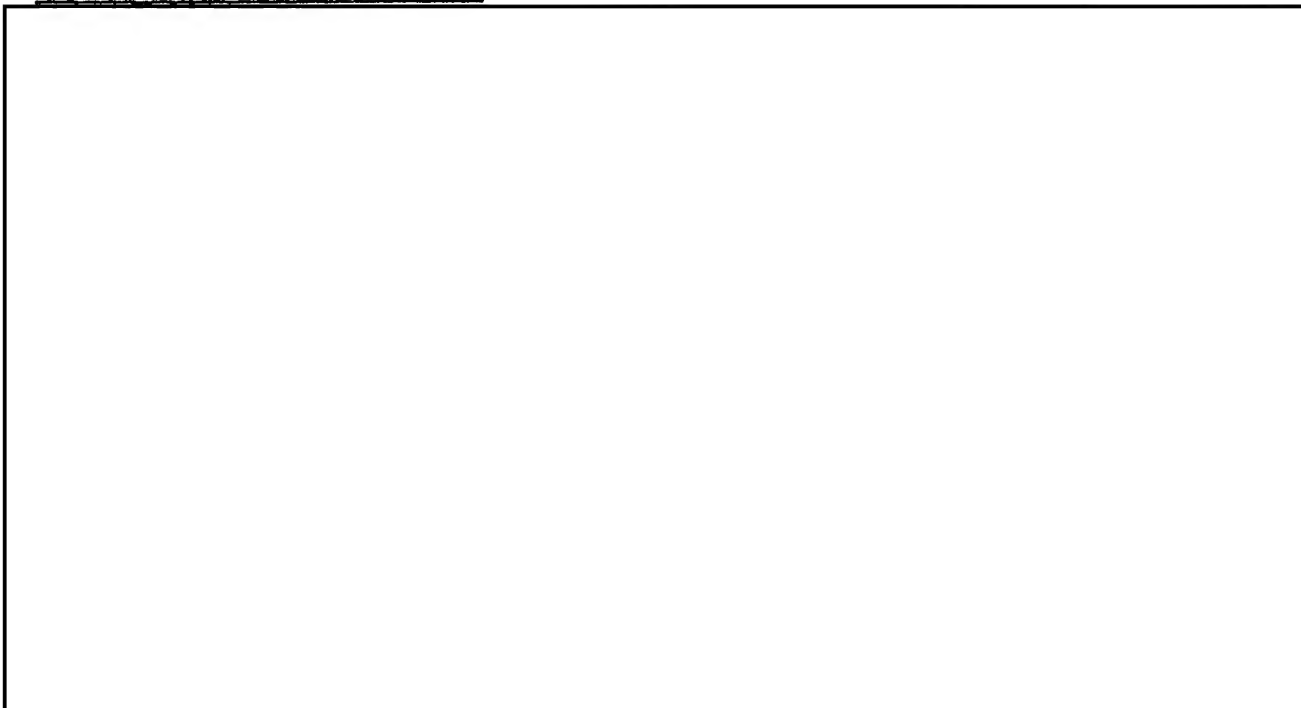
BILLIE SOL ESTES, ET AL

b7D

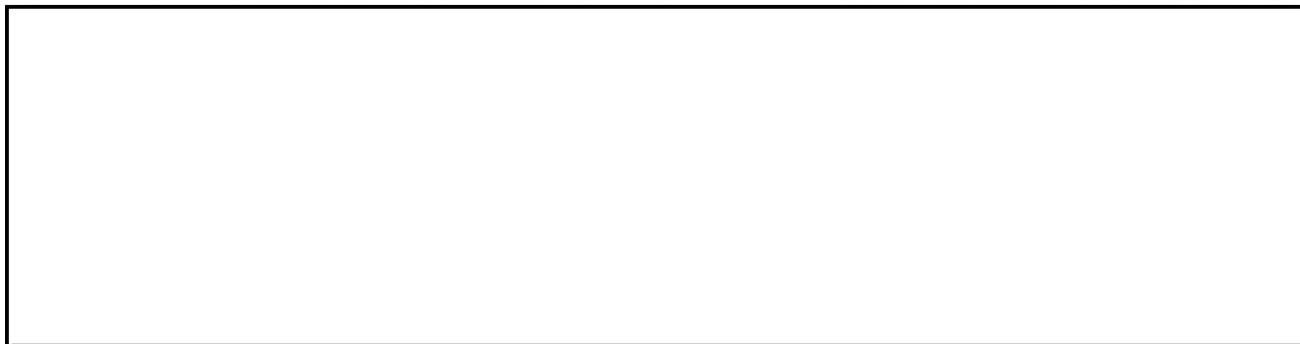
OKlahoma

BILLIE SOL ESTES, ET AL

b7D



The above information cannot be made public without the issuance of a subpoena duces tecum.



This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

UNITED STATES GOVERNMENT

Memorandum

TO : Director, FBI (29-28704)

DATE: May 11, 1962

FROM : SAC, Minneapolis (87-7949) (RUC)

SUBJECT: BILLIE SOL ESTES - FUGITIVE;
COLEMAN DELBERT MC SPADDEN - FUGITIVE;
HAROLD EUGENE ORR - FUGITIVE;
RUEL WADE ALEXANDER - FUGITIVE;
SUPERIOR MANUFACTURING COMPANY
ITSP - MAIL FRAUD; CONSPIRACY

(OO: El Paso)

Report of SA [redacted] dated 4/12/62 at El Paso; Dallas teletype to Director 5/7/62; El Paso teletype to Director 4/13/62.

Enclosed herewith for the El Paso Office are 31 copies each of two FD-302's reflecting investigation at Minneapolis. Enclosed for Dallas are 3 copies each of these two FD-302's.

Also enclosed for El Paso and Dallas are photostat copies of each pertinent document in four loan packages discounted by the First Acceptance Corporation, Minneapolis (now James Talcott, Inc.), during the period January 1, 1959, to May 1, 1960, from Superior Manufacturing Company, Amarillo, Texas. During this period FAC purchased 30 loans from Superior; however, the serial numbers of equipment in all but four were in agreement with those set out in Dallas teletype to Director 5/7/62.

Also enclosed for Dallas and El Paso is a photostat copy of an interoffice memorandum dated 5/4/62 from [redacted] James Talcott, Inc., concerning investigation by [redacted] with reference to Dick's Propane Service Company, Fowler, Colorado. This memorandum is self-explanatory.

REC-34

- 2 - Bureau
2 - Dallas (29-1096) (Enc. 11)
2 - El Paso (29-351) (Enc. 67)
1 - Minneapolis

MLS:CK
(7)

RECEIVED
FUGITIVE
BUREAU

EX-114

29-28704-275
18 MAY 14 1962

FUG. SUP.

SIX

67 MAY 16 1962

UNITED STATES GOVERNMENT

Memorandum

TO : Mr. Rosen *Rosen*

DATE: May 11, 1962

FROM : W. B. Welte *W*

5/11 SUBJECT: BILLIE SOL ESTES
 INTERSTATE TRANSPORTATION
 OF STOLEN PROPERTY - BRIBERY

Tolson _____
 Belmont _____
 Mohr _____
 Callahan _____
 Conrad _____
 DeLoach _____
 Evans _____
 Malone _____
 Rosen _____
 Sullivan _____
 Tavel _____
 Trotter _____
 Tele. Room _____
 Holmes _____
 Gandy _____

5/11 This is to record information concerning N. Battle
 Hales, a Staff Assistant in the Department of Agriculture, for
 the file. *DC*

At 9:15 a. m., today, SAC Johnson of the Washington
 Field Office was instructed to contact the Department of Agriculture
 and make arrangements to have the Department of Agriculture
 handle the interview of Hales in connection with the fact that he
 demanded access to Agriculture files.

It was pointed out that this was in accordance with our
 previous request to Washington Field and should be handled
 immediately.

SAC Johnson telephonically advised on the same date
 that appropriate arrangements had been made. *W*

ACTION

None. For file.

TWC:ige
 (5) *8*

EX-114

REC- 34

29-28704-276
18 MAY 14 1962

RECEIVED

MAY 15 1962

246
 67 MAY 16 1962

COMMUNICATIONS SECTION
MAY 12 1962
TELETYPE

Mr. Tolson	_____
Mr. Belmont	_____
Mr. Mohr	_____
Mr. Casper	_____
Mr. Callahan	_____
Mr. Conrad	_____
Mr. DeLoach	_____
Mr. Evans	_____
Mr. Gale	_____
Mr. Rosen	_____
Mr. Sullivan	_____
Mr. Tavel	_____
Mr. Trotter	_____
Tele. Room	_____
Miss Holmes	_____
Miss Gandy	_____

URGENT 5-12-62 7-10 PM MST DRH

TO DIRECTOR, FBI AND SAC, WASHINGTON FIELD
FROM SAC, EL PASO "58-59" 1 P

BILLIE SOL ESTES, ET AL, BRIBERY, COI. OO DALLAS.
RE TELEPHONE CALL FROM MR. WILLIAM WELTE AT THE BUREAU, TWELVE
FIFTEEN P.M., MAY TWELVE INSTANT.

THE FOLLOWING IS A LIST OF INTERPRISES IN WHICH BILLIE SOL ESTES
IS KNOWN TO BE ENGAGED AT THE PRESENT TIME. FULL DETAILS CONCERNING
THESE COMPANIES, THAT IS WHETHER THEY ARE A CORPORATION, A PARTNER-
SHIP OR INDIVIDUAL ENTERPRISE, ARE NOT AVAILABLE, BUT SUCH DATA AS
IS AT HAND IS INCLUDED OPPOSITE THE COMPANY, AND ADDITIONAL DATA IN-
CLUDING EVERYTHING REQUESTED BY THE DEPARTMENT ABOUT EACH COMPANY
WILL BE SECURED AS SOON AS POSSIBLE. [REDACTED] ESTES

[REDACTED] N BILLIE SOL ESTES ENTERPRISES, IS THE SOURCE OF
THE INFORMATION. HE WILL BE REINTERVIEWED FOR ADDITIONAL DETAILS IN
THE IMMEDIATE FUTURE AS WILL [REDACTED]

[REDACTED] F ESTES INTRESTS, WILL ALSO BE INTERVIEWED,
FOR ANY INFORMATION HE MAY HAVE ABOUT CURRENT ESTES ENTERPRISES. OF

THE TWENTY THREE COMPANIES LISTED [REDACTED] WAS UNCERTAIN ABOUT THE
ACTUAL PARTICIPATION OF ESTES IN THREE OF THEM, ALLIED ELEVATORS AT
HEREFORD, HALE COUNTY GRAIN COMPANY, AND PALO DURO GRAIN COMPANY, INC.

END PAGE ONE

TWO COPIES WFO

MR. BELMONT FOR THE DIRECTOR

67 MAY 16 1962

PAGE TWO

EL PASO FORWARDED INFORMATION ON SOME OF ESTES PAST BUSINESS ACTIVITIES ON APRIL EIGHTEEN, LAST. THESE WERE TWO INTERVIEWS WITH

[REDACTED] TENNESSEE, ONE

b6
b7c

COMMUNICATION SET OUT VAGUE MATERIAL ABOUT A POSSIBLE ITSP VIOLATION ON ESTES, PART OF A COMMUNICATION WITH THE FINANCING OF THE NASHVILLE CHRISTIAN INSTITUTE, A SMALL CHURCH OF CHRIST BOARDING SCHOOL FOR NEGROES. THIS IS A LETTER DATED APRIL EIGHTEEN, LAST, CAPTIONED BILLIE SOL ESTES, ITSP, MAIL FRAUD, CARRIED AS EIGHTY SEVEN NEW AND RUC/D. THE OTHER WAS A LETTER DATED APRIL EIGHTEEN, LAST, CAPTIONED BILLIE SOL ESTES, ROBERT S. CLEMENT, [REDACTED] OF NASHVILLE, TENNESSEE, FHAM, VAM. THIS WAS AN INTERVIEW WITH [REDACTED] RELATED TO ESTES DEALINGS IN SCRAP HOUSING IN THE VICINITY OF BLYTHEVILLE, ARKANSAS. [REDACTED] ASSERTED HIS INFORMATION INDICATED ESTES WAS ASSOCIATED WITH ROBERT S. CLEMENT, ALLEGED TO BE THE FATHER OF FRANK CLEMENT, FORMER GOVERNOR OF TENNESSEE. THIS INFORMATION WAS ALSO VAGUE AND RELATED TO ESTES BUSINESS ACTIVITIES AROUND FIFTY SIX.

[REDACTED] WILL NOT BE AVAILABLE UNTIL MAY FIFTEEN, AT WHICH TIME ALL DETAILS POSSIBLE WILL BE SECURED AND FORWARDED.

b6
b7c

[REDACTED] DIVISED THAT THE BILLIE SOL ESTES ENTERPRISES IS A PARTNERSHIP BETWEEN BILLIE SOL ESTES [REDACTED]

HE SAID THE ENTERPRISES INCLUDES MANY COMPANIES, CORPORATIONS AND
END PAGE TWO

PAGE THREE

VARIOUS INTERESTS. HE STATED THAT BILLIE SOL ESTES HAS SEVEN EIGHTHS

ONE EIGHTH IN THE FOLLOWING.,

b6
b7c

FARMERS COMPANY, PECOS, TEXAS.

LESTER STONE COMPANY, PLAINVIEW, TEXAS.

WHEELER FERTILIZER COMPANY, PLAINVIEW, TEXAS.

UNITED ELEVATORS, OPLAINVIEW.

COLONIAL FUNERAL HOME CORPORATION, PECOS, TEXAS.

PECOS PRINTING CORPORATION, PECOS.

PECOS TRANSIT MIX CORPORATION, PECOS. /BELIEVED TO BE IN WIFES
NAME /

EQUIPMENT SERVICE CORPORATION, PECOS.

FORT STOCKTON IMPLEMENT COMPANY, FORT STOCKTON, TEXAS.

AGRICULTURE, INCORPORATED, GIRVIN, TEXAS.

SOUTH PLAINS GRAIN COMPANY, LEVELLAND, TEXAS., FIFTY PER CENT.

FARM GRAIN WAREHOUSE COMPANY, LAMESA, TEXAS., SEVENTY ONE PER
CENT.

ROY LINDSEY CONSTRUCTION COMPANY, PECOS., FIFTY PER CENT.

GILLETTE PIPE AND SUPPLY COMPANY, MC CAMEY, TEXAS., FIFTY PER
CENT.

GLEM, MC CAMEY., TWENTY FIVE PER CENT.

DEL NORTE COURTS, PECOS.

END PAGE THREE

PAGE FOUR

WOODCREST APARTMENTS, PORT NECHES, TEXAS.

SUDAN STORAGE COMPANY, SUDAN, TEXAS., THREE SEVENTHS

WESTERN FLYING COMPANY, INC., PECOS,. FIFTY PER CENT.

ALLIED ELEVATORS, HEREFORD, TEXAS, OWNERSHIP QUESTIONABLE.

HALE COUNTY GRAIN COMPANY, PLAINVIEW, TEXAS., OWNERSHIP QUESTIONABLE

PALO DURO GRAIN COMPANY, INC., TULIA, TEXAS OWNERSHIP QUESTIONABLE

WASHINGTON FIELD OFFICE WILL BEGIN CHECK REQUESTED BY DEPARTMENT OF ESTES COMPANY NAMES THROUGH FILES OF PERTINENT AGENCIES.
DALLAS ADVISED AIRMAIL.

ESTES MAY HAVE SUICIDAL TENDENCIES.

CORRECTION PAGE ONE LINE NINE WORD SIX SHOULD BE " DEPARTMENT"

END AND ACK PLS

10-27 PM OK FBI WA NH

TU DISC

CC-MR. ROSEN

5-12-62

REC-34 29-11704-278
TELETYPE

PLAIN TEXT

URGENT

TO SACS EL PASO AND WASHINGTON FIELD
FROM DIRECTOR, FBI

BILLIE SOL ESTES, ET AL., BRIBERY; ITSP.

RE WFO AIRTEL MAY ELEVEN, NINETEEN SIXTY-TWO, WHICH SETS
FORTH A SUMMARY OF THE BALANCE SHEET FILED BY ESTES WITH THE
U. S. DEPARTMENT OF AGRICULTURE.

GIVE TOP PRIORITY TO INVESTIGATION TENDING TO PROVE THAT
INFORMATION FURNISHED IS FALSE. IF EVIDENCE OF SUBSTANTIAL
FRAUDULENT STATEMENT FOUND, IMMEDIATELY SUTEL BUREAU AND
WASHINGTON FIELD IN ORDER THAT FACTS MAY BE DISCUSSED WITH
 OF THE DEPARTMENT.

b6
b7C

1 - Dallas (AM)
2 - Washington Field
FDT:mrp
(4)

1962 MAY 16 102110G

Tolson _____
Belmont _____
Mohr _____
Callahan _____
Conrad _____
DeLoach _____
Evans _____
Malone _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

MAIL ROOM ☒ TELETYPE UNIT ☒

67 MAY 16 1962

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
MAY 12 1962

TELETYPE *ml*

URGENT 5-12-62 5-49 PM NH
TO SACS EL PASO AND WASHINGTON FIELD
FROM DIRECTOR 1 P

BILLIE SOL ESTES, ET AL., BRIBERY, ITSP.

RE WFO AIRTEL MAY ELEVEN, NINETEEN SIXTY-TWO, WHICH SETS
FORTH A SUMMARY OF THE BALANCE SHEET FILED BY ESTES WITH THE
U. S. DEPARTMENT OF AGRICULTURE.

GIVE TOP PRIORITY TO INVESTIGATION TENDING TO PROVE THAT
INFORMATION FURNISHED IS FALSE. IF EVIDENCE OF SUBSTANTIAL
FRAUDULENT STATEMENT FOUND, IMMEDIATELY SUTEL BUREAU AND
WASHINGTON FIELD IN ORDER THAT FACTS MAY BE DISCUSSED WITH

OF THE DEPARTMENT.

END ACK PLS

EP

OK FBI EP NKJ

TU

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b7c

F B I

Date: 5/11/62

Transmit the following in _____
(Type in plain text or code)Via AIRTEL _____
(Priority or Method of Mailing)

Mr. Tolson	_____
Mr. Belmont	_____
Mr. Mohr	_____
Mr. Callahan	_____
Mr. Conrad	_____
Mr. DeLoach	_____
Mr. Evans	_____
Mr. Malone	_____
Mr. Rosen	_____
Mr. Sullivan	_____
Mr. Tavel	_____
Mr. Trotter	_____
Tele. Room	_____
Miss Holmes	_____
Miss Gandy	_____

TO: DIRECTOR, FBI (29-28704)

FROM: SAC, WFO (87-8242) (P)

my
 BILLIE SOL ESTES, ET AL
 BRIBERY; COI
 (OO:DL)

Material received 5/11/62, from U.S. Department of Agriculture (USDA), regarding BILLIE SOL ESTES ~~which~~ include 38 files containing financial data of ESTES and ~~various~~ of his companies, and 3 memoranda. Review of this material will necessitate review in excess of 3,800 sheets contained in files. Files contain financial statements, related documents, license information and correspondence. By letter dated 2/14/61, [REDACTED] Jackson and Rodgers, to ESTES, indicated the attached balance sheet, presented in condensed form, as of 12/31/60, was examined in accordance with generally accepted auditing standards and accordingly included such tests of the accounting records and such other auditing procedures as was considered necessary, in the circumstances; except that the examination did not include the generally accepted procedure of observing and testing the methods used in determining inventory quantities, prices and amounts.

The letter continues, by reason of the limitation of the scope of the examination as to inventories, no opinion could be expressed as to the fairness of presentation in the accompanying balance sheet of the financial position of BILLIE SOL ESTES as of 12/31/60.

EX-114

REC-34

29-28704-278

- ③ - Bureau
 2 - El Paso (29-351) (AMSD)
 1 - Dallas (58-188) (Info)
 1 - WFO

JEH:skh
 (7)

C. C. Wick

AIRTEL

18 MAY 14 1962
 Teletype to WFO
 5-17-62
 POF/m

Approved: _____ Sent _____ M Per _____
 Special Agent in Charge

b6
 b7C

WFO 87-8242

The statement is as follows:

"CONDENSED BALANCE SHEET
BILLIE SOL ESTES
AS OF DECEMBER 31, 1960"

"A S S E T S

"Current Assets

Cash on hand and in banks		\$ 480,641.97
Accounts and notes receivable	\$ 2,136,721.18	
Less allowance for bad debts	17,211.76	2,119,509.42
Inventories - merchandise for resale at lower of cost or market		<u>.942,701.13</u>

<u>Total Current Assets</u>	3,542,852.52
-----------------------------	--------------

"Land and Depreciable Assets - At Cost

Land		2,062,748.60
Buildings	4,402,760.82	
Machinery and Equipment	12, 261,784.94	
Furniture and Fixtures	32,802.60	
Oil production	200,000.00	
Minerals and royalties	20,000.00	
	<u>16,917,348.36</u>	
Less accumulated depreciation	<u>4,458,696.41</u>	12,458,651.95

"Other Investments and Assets

625 Shares, Oil Industries Life Ins. Co. - At Cost	21,875.00	
Verhalen Mercantile Stock - At Cost	35,000.00	
Agriculture, Inc. Stock, States at one-half of equity in net assets 12/31/60	1,664,647.03	
Prepaid interest on notes payable	211,641.23	
Residence - Pecos, Texas, - at cost	<u>90,000.00</u>	<u>2,023,163.31</u>

<u>Total Assets</u>	<u>\$20,087,416.38"</u>
---------------------	-------------------------

WFO 87-8242

"CONDENSED BALANCE SHEET
BILLIE SOL ESTES
AS OF DECEMBER 31, 1960"

"L I A B I L I T I E S AND N E T W O R T H

"Current Liabilities

Accounts payable - trade	\$ 543, 782.03	
Notes payable - secured - current portion	1,278,411.32	
Accrued interest payable	<u>61,203.67</u>	

Total Current Liabilities

\$ 1,883,397.02

"Long-Term Debt - Portion Due after one year

Notes payable - Buildings and equipment	3,627.437.55	
Notes payable - Real estate	<u>841,627.06</u>	<u>4,469,064.61</u>

Total Liabilities

6,352,461.63

Net Worth - BILLIE SOL ESTES

13,734,954.75

Total Liabilities and Net Worth

\$20,087,416.38"

The Bureau has instructed that this matter be given continuous and expeditious attention. WFO is reviewing voluminous files and will furnish photostats of pertinent documents. Financial Statements will be photostated week of 5/14/62.

LEAD

EL PASO DIVISION

AT PECOS, TEXAS

Will conduct review of original books and records pertaining to above listed financial statement and determine if violation of Title 18, U.S. Code 1001, exists.

ESTES REPORTED TO HAVE SUICIDAL TENDENCIES.

May 12, 1962

BILLIE SOL ESTES

Following is additional information confidentially received concerning telephone calls of possible interest in this matter.

Billie Sol Estes has office telephone numbers, 445-4916, 445-4917, 445-4918, all Pecos, Texas. A check of telephone calls made using Estes' telephone credit card 445-4917-K221 indicates the following:

On February 17, 1962, above credit card used for telephone call from McLean, Virginia, to Billie Sol Estes at Pecos, Texas, the call being received on telephone 445-2507 (home telephone of Estes).

On February 18, 1962, credit card number 445-4917-K221, was used for charging telephone call to [redacted] (name partly illegible) [redacted] Montana, telephone number [redacted]

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On February 18, 1962, Doctor Ralph at McLean, Virginia, telephoned [redacted] California, at telephone number [redacted] the call being charged to credit card number 445-4917-K221.

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On February 18, 1962, Doctor Ralph, McLean, Virginia, placed a call to [redacted] California, telephone [redacted] the call being charged to above credit card number.

b6
b7C

On February 21, 1962, credit card number 445-4917-K221 was used in making telephone call from McLean, Virginia, to Estes at Pecos, telephone number 445-3317.

On February 24, 1962, Doctor Jim Ralph at McLean, Virginia, placed a call to Billie Sol Estes at Pecos, Texas, the call being charged to telephone credit card number 445-4917-K221.

Tolson _____
Belmont _____
Mohr _____
Callahan _____
Conrad _____
DeLoach _____
Evans _____
Malone _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

FDT:mrp
(5)

67 MAY 16 1962

TELETYPE UNIT

Concerning the call referred to above to Bakersfield,
California, telephone directories indicate telephone number

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b7C

[redacted]
[redacted] California, [redacted] is reported to be [redacted]
[redacted] Calcot, Limited, a large cotton processing and
warehousing corporation in Bakersfield.

Washington 25, D. C.

May 14, 1962

BILLIE SOL ESTES

The following is a list of enterprises in which Billie Sol Estes is known to be engaged at the present time. Full details concerning these companies, that is whether they are a corporation, a partnership or individual enterprise, are not available, but such data as is at hand is included opposite the company, and additional data including everything requested by the Department about each company will be secured as soon as possible. [redacted] Estes' [redacted] in Billie Sol Estes Enterprises, is the source of the information. He will be reinterviewed for additional details in the immediate future as will [redacted]

b6
b7C

[redacted] Estes interests, will also be interviewed, for any information he may have about current Estes enterprises. Of the 23 companies listed, [redacted] was uncertain about the actual participation of Estes in 3 of them, Allied Elevators at Hereford, Hale County Grain Company, and Palo Duro Grain Company, Inc.

[redacted] advised that the Billie Sol Estes Enterprises is a partnership between Billie Sol Estes [redacted] [redacted] He said the enterprises includes many companies, corporations and various interests. He stated that Billie Sol Estes has seven eighths and [redacted] one eighth in the following.

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b7C

Farmers Company, Pecos, Texas.
Lester Stone Company, Plainview, Texas.
Wheeler Fertilizer Company, Plainview, Texas.
United Elevators, Plainview.
Colonial Funeral Home Corporation, Pecos, Texas.
Pecos Printing Corporation, Pecos.
Pecos Transit Mix Corporation, Pecos. (Believed to be in wife's name) EX-117 REC-34 29 28704-280
Equipment Service Corporation, Pecos. _____
Port Stockton Implement Company, Fort Stockton, Texas.
Agriculture, Incorporated, Girvin, Texas MAY 14 1962
South Plains Grain Company, Levelland, Texas. Fifty per cent
Farm Grain Warehouse Company, Lamesa, Texas, _____
Seventy-one per cent.

Tolson _____
Belmont _____
Mohr _____
Callahan _____
Conrad _____
DeLoach _____
Evans _____
Malone _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

GEB:imc

(6)

MAIL ROOM ☐

TELETYPE UNIT ☐

67 MAY 16 1962

BILLIE SOL ESTES

Roy Lindsey Construction Company, Pecos. Fifty per cent.
Gillette Pipe and Supply Company, McCamey, Texas.
Fifty per cent.
Glen, McCamey. Twenty-five per cent.
Del Norte Courts, Pecos.
Woodcrest Apartments, Port Neches, Texas.
Sudan Storage Company, Sudan, Texas. Three sevenths.
Western Flying Company, Inc., Pecos. Fifty per cent.
Allied Elevators, Hereford, Texas, Ownership questionable.
Hale County Grain Company, Plainview, Texas, Ownership
questionable.

UNITED STATES GOVERNMENT

Memorandum

TO : Mr. Belmont

DATE: May 8, 1962

FROM : A. Rosen

SUBJECT: BILLIE SOL ESTES
INTERSTATE TRANSPORTATION OF
STOLEN PROPERTY - BRIBERY

Tolson	
Belmont	
Mohr	
Callahan	
Conrad	
DeLoach	
Evans	
Malone	
Rosen	
Sullivan	
Tavel	
Trotter	
Tele. Room	
Holmes	
Gandy	

SAC Williams, San Antonio Office, advised that he had just received a request from [redacted] Criminal Division of the Department, who has requested that the records of the Mountain State Telephone Company at Pecos, Texas, be checked for all incoming and outgoing long distance telephone calls made or charged to Estes' home telephone.

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b7C

[redacted] is particularly interested in any calls made to or from or charged by Dr. James T. Ralph, McLean, Virginia, to Estes' home telephone on January 14, 1962; February 17, 18, 24, 1962; and any other calls in connection with Ralph on any other dates.

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b7C

[redacted] requested that this investigation be expedited and the results given to Assistant Attorney General Miller in Washington, D. C.

b6
b7CRECOMMENDATION:

It is recommended that the El Paso Office make this record check at the Mountain State Telephone Company at Pecos, Texas, and, if approved, the investigation will be ordered. This will be confirmed with the Department.

EX-133

1 - Mr. DeLoach
1 - Mr. Evans

WBW:jh
(8)

REC-6

29-28704-281

MAY 11 1962

53 MAY 17 1962

Requiem by
letter to Dept
5-9-62
JH

Done + from Dept
by letter
memo 5-9-62
JH

b7C



FEDERAL BUREAU OF INVESTIGATION
WASHINGTON, D. C.

To: **FBI, El Paso (29-351)**

Date: **May 8, 1962**

Re: **BILLIE SOL ESTES; et al.
ITSP - MF; CONSPIRACY**

J. Edgar Hoover
John Edgar Hoover, Director

FBI File No. **29-28704**
Lab. No. **D-394281 III**

Examination requested by: **El Paso**
Reference: **Letter 5/2/62**
Examination requested: **Document**
Remarks:

The attached report supplements and confirms the Bureau's teletype to El Paso dated May 7, 1962.

It is pointed out that the originals of Qc1 through Qc3 are essential for Laboratory examination in this case. Any available known signatures of ESTES should also be submitted to the Laboratory together with the originals of Qc1 through Qc3.

MAILED 10
MAY 8 - 1962

RECEIVED
FBI
REC- 91

19 MAY 14 1962

Enclosures (5) (Qc1 through Qc3, Lab report)

Tolson _____
Belmont _____
Mohr _____
Callahan _____
Conrad _____
DeLoach _____
Evans _____
Malone _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

MD: clb (4)

MAIL ROOM ☒ TELETYPE UNIT ☐

4) *Curran 732*
(2) *10/20/62 10/6/62 10/6/62*

REPORT of the



FEDERAL BUREAU OF INVESTIGATION WASHINGTON, D. C.

To: **FBI, El Paso**

Re: **BILLIE SOL ESTES; et al.
ITSP - MF; CONSPIRACY**

Date: **May 8, 1962**
FBI File No. **29-23704**
Lab. No. **D-394231 IH**

Specimens received **5/4/62**

- Qc1 Photocopy of contract dated 11/16/60 bearing the signature "Billie Sol Est"**
- Qc2 Photocopy of contract dated 11/23/60 bearing the signature "Billie Sol Ests"**
- Qc3 Photocopy of contract dated 9/22/61, bearing the signature "Billie Sol Est"**

Result of examination:

Due to the presence of unexplainable variations and because of the fact that photocopies Qc1 through Qc3 are not sufficiently distinct for adequate forgery examination, a definite conclusion could not be reached whether the signatures appearing on Qc1 through Qc3 were all prepared by one person or by **BILLIE SOL ESTES, FBI#151527E**.

Qc1 through Qc3 have been photographed and are returned to El Paso herewith.

Tolson _____
Belmont _____
Mohr _____
Callahan _____
Conrad _____
DeLoach _____
Evans _____
Malone _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

FMD:clb (4)

MAIL ROOM ☐ TELETYPE UNIT ☐

FEDERAL BUREAU OF INVESTIGATION
UNITED STATES DEPARTMENT OF JUSTICE

Laboratory Work Sheet

Re: BILLIE SOL ESTES; et al
ITSP - MF; CONSPIRACY

File # 29-28704-282
Lab. # D-394281 IH

Letter 5/2/62

Examination requested by: FBI, El Paso (29-351)

Examination requested: Document

Date received: 5/4/62

Result of Examination:

Examination by: Devine

① Due to unexposed + became of the fact the
photocopy Qc1 → Qc3 are not sufficiently distinct for
forgery examination, no word whether sign on
Qc1 → c3 by one person or by Billie Sol
Estes, FBI # 151527E. Originals of Qc1 → c3
are essential for lab exam. Any word
on sign of Estes should also be submitted to lab.

Specimens submitted for examination

Report supplements

Qc1 Photocopy of contract dated 11/16/60, bearing the signature
"Billie Sol Est"

Qc2 Photocopy of contract dated 11/23/60, bearing the signature
"Billie Sol Estes"

Qc3 Photocopy of contract dated 9/22/61, bearing the signature
"Billie Sol Est"

② Qc1 → c3 photo + rel.

Urgent. 5/7/62
Teletype:

Re. letter 5/2/62 submitting photocopies
of contracts for lab exam. Original does contain
for lab exam. Any word on sign of Estes
also be obtained. Report + evidence to follow.

Lab for
5/10/62

Qc1

Bulhe Sol Est

Qc3 Bulky Sol Est

Qc2 Bulky ~~at the~~

FB #151527E

Bulky Sol Est

Bulky Sol Est

FEDERAL BUREAU OF INVESTIGATION
UNITED STATES DEPARTMENT OF JUSTICE

Laboratory Work Sheet

Re: BILLIE SOL ESTES; et al
ITSP - ME; CONSPIRACY

File #
Lab. # 29-28704 - 282
D-394261 IH

Letter 5/2/62

Examination requested by: FBI, El Paso (29-351)

Examination requested: Document

Date received: 5/1/62

Result of Examination:

Examination by: Davine

Specimens submitted for examination

- Qc1 Photocopy of contract dated 11/16/60, bearing the signature "Billie Sol Est"
- Qc2 Photocopy of contract dated 11/23/60, bearing the signature "Billie Sol Est"
- Qc3 Photocopy of contract dated 9/22/61, bearing the signature "Billie Sol Est"

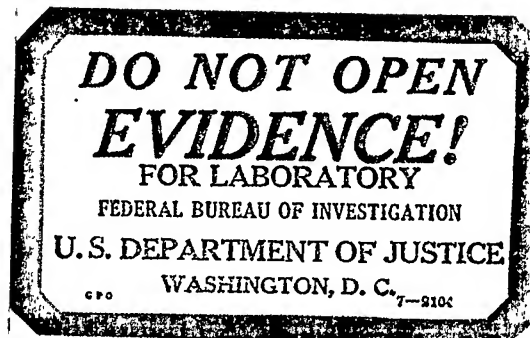
5/2/62

ENCLOSURES TO THE BUREAU (3)

Br file: 29-28704

FROM: SAC, EL PASO (29-351)

3 copies of contracts dated 11/16/60, 11/23/60, and 9/22/61
all signed BILLIE SOL ESTES.



ENCLOSURE

-- 29-28704-282

LEAVE THIS SPACE BLANK

FBI No.

SIGNATURE OF PERSON FINGERPRINTED

RESIDENCE OF PERSON FINGERPRINTED

OCCUPATION

SCARS AND MARKS

AMPUTATION

ESTES Billie SD1

LAST NAME FIRST NAME MIDDLE NAME

CONTRIBUTOR AND ADDRESS

ALIASES

DEPUTY
UNITED STATES MARSHAL
PECOS, TEXAS

CONTRIBUTOR'S NO.
00930

PLACE OF BIRTH

LEAVE THIS SPACE BLANK

CLASS.

SEX
MALE

RACE
WHITE

HT. (Inches) WT

DATE OF BIRTH

HAIR EYES

13/15 H2L

SEX

RACE

HT. (Inches) WT

DATE OF BIRTH

HAIR EYES

1-10-25

MASTER

FBI No.

SIGNATURE OF PERSON FINGERPRINTED

RESIDENCE OF PERSON FINGERPRINTED

OCCUPATION

SCARS AND MARKS

AMPUTATION

LAST NAME FIRST NAME MIDDLE NAME

CONTRIBUTOR AND ADDRESS

ALIASES

CHIEF DEPUTY
U.S. MARSHAL
P.O. BOX 35
EL PASO TEXAS

CONTRIBUTOR'S NO.
00930

PLACE OF BIRTH

CITIZENSHIP

U.S.

CHECK IF NO RECORD IS DESIRED

LEAVE THIS SPACE BLANK

CLASS.

REF.

DATE

4-1-62



THUMB

7. LEFT INDEX

MIDDLE

RING

LITTLE

DEVINE 7613

b6
b7C

PF 1

AMARILLO

NOVEMBER 1964

As hereinafter stated, (or value received, I, we, or either of us promise to pay to the order of

PACIFIC FINANCE LOANS, in LOS ANGELES, LOS ANGELES the name of
SEVENTY EIGHT THOUSAND, TWENTY TWO AND 80/100 COUNTY, CALIFORNIA

payable in consecutive installments of \$ 2,167.30

JANUARY 1, 1961

[illegible]

(X) A portion of the agreed time selling price of the hereinafter described property purchased by Undersigned from the Payee herein on which Undersigned has made a down payment of \$ 20,000.00 leaving an agreed time balance of \$ 78,022.80 evidenced by these presents.

Undersigned, hereinafter styled "Mortgagor" (whether one or more), for the purpose of securing the payee in this obligation, hereinafter styled "Mortgagee" (whether one or more), to the payment of the sum of \$1.00 and other good and valuable consideration, to said Mortgagee to said Mortgagor, receipt of which is hereby acknowledged, undersigned Mortgagor, does hereby bargain, sell and convey unto said Mortgagee, said Mortgagee's heirs, successors and assigns, the following described chattel, viz:

New or Used	Year	Make	Body Style	Serial Number	Motor Number	Model No.	Dlx. or Std.	No. of Cyl.
1960	1960	CALIFORNIA	TRUCK					

100 • 1,000 GALLON NH3 TANKS MOUNTED ON 4-WHEEL TRAILERS, 4 LINGO AXLES AND TIRES

REF ID: A66001 THRU A-10009; A-10143 THRU A-10196, A-10220 THRU A-10256

now located in the City of **PECOS**, _____ State of Texas, said property now being in Mortgagor's possession, and of which Mortgagor is/are the sole owner(s), together with all tools, extra rims and all other equipment, attachments thereto, including tires, radios and other accessories now or hereafter attached to such vehicle, and all additions, repairs and improvements and attachments placed thereon, it being expressly understood that the lien hereby created shall be a prior and first lien upon the above described property, and shall be a lien upon all tools, rims, tires, tubes, radios or other equipment, additions, accessories or replacements now or hereafter placed thereon by said Mortgagor as compared to any other lien, constitutional or statutory lien executed by Mortgagor or arising or accruing, because of such additions, repairs, improvements, attachments or replacements having been made.

[illegible]day of **NOVEMBER**

A. D., 1960

BILLIE SOL ESTES ENTERPRISES

By Billie Sol East
(State Title)

Mail Address

SELLER'S ASSIGNMENT

FOR VALUE RECEIVED, the undersigned does hereby sell, assign and transfer to and interest in and to the within Conditional Sales Contract and the property covered thereby or the Retail Installment Contract for services, as the case may be, and authorized said assignee, or order, to do every act and thing necessary to collect and discharge the same, including the right to endorse any check or draft payable to the undersigned in connection with this assignment.

PACIFIC FINANCE CORPORATION

WITHOUT RECOURSE

This assignment is made WITHOUT RECOURSE, except as to the following warranties and conditions, to wit: that the said contract is a bona fide one and was actually executed by the person named therein as Buyer, that said Buyer was of legal age and competent to execute said contract at the time of the execution thereof; that the property which is the subject of said contract is truly and accurately described therein; that the amount recited in said contract as having been received upon the signing thereof as part of the purchase price of said property or services described therein and said services have been (or will be if so set forth) rendered, that the amount recited in said contract as having been received upon the signing thereof as part of the purchase price of said property or services was actually paid by Buyer in cash and or by merchandise received in trade at not more than its then cash value; that we have the full and complete title to said property subject only to the rights of said Buyer which exist under and by virtue of the terms of said contract, to wit, amount owing upon said contract at the time of its execution is correctly stated therein; that there are no recoupments, counterclaims or setoffs on the part of said Buyer against and by virtue of the terms of said contract, to wit, amount owing upon said contract at the time of its execution is correctly stated therein; that there have been no representations or warranties made to said Buyer which are not contained in said contract; that the undersigned further warrants that any contract signed by the wife alone, whether said contract be in the name of the wife or husband or both, was entered into by the wife as the agent of the husband, and the husband does not or will not hereafter deny joint personal legal liability thereunder. Should any of the foregoing representations or warranties be false, then we agree to purchase on demand from said assignee said contract for the amount of the then unpaid balance on said contract, in the event suit is brought by assignee to enforce this agreement we agree to pay all costs and reasonable attorney's fees incurred by assignee in such enforcement. We consent to extensions of payments or alterations of said contract which may be made by the assignee.

WITH RECOURSE

The undersigned GUARANTEES the within contract and the property described therein subject only to the rights of the Buyer set forth in said contract. I/we guarantee the payment of all amounts due and to become due by the terms of said contract, and all costs, including reasonable attorney's fees, incurred in collecting the same, or attempting the collection thereof, or the enforcement of any right under said contract or under this guaranty, and I/we hereby consent that extensions as to the time of payment may be made to the Buyer, either before or after maturity, or that the said contract may be changed in any other particular without in any manner releasing me/us from liability. The undersigned hereby waives any and all notice of non-payment, demand, presentment or protest which may be required under this assignment or in connection therewith. I/we agree that my/our obligation hereunder shall be enforceable even though the assignee's right to enforce the said contract, or any provision thereof, be suspended or impaired by any statute or otherwise, and hereby waive all statutes of limitation and the defense thereof.

SUPERIOR MANUFACTURING COMPANY

VICE-PRES.

ADDITIONAL TERMS AND CONDITIONS OF CONTRACT

1. Buyer acknowledges that he has been advised as to both the aggregate cash price and the aggregate time price of the property and that he realizes the time price is greater than the cash and that he has elected to pay the time price. The allocation as made on the reverse hereof is for the purpose of securing statistical facts and information for records of Seller.
2. Title to said property shall not pass to Buyer until all sums due under this contract are fully paid in cash. No warranties, express or implied, have been made by the Seller unless endorsed herein in writing.
3. Time is of the essence of this contract, and if Buyer defaults in complying with any of the terms hereof, Seller, at his option and without notice to Buyer, may declare the whole amount unpaid hereunder immediately due and payable or Seller may take immediate possession of said property without demand (possession after default being unlawful), including any equipment or accessories thereto, and for this purpose Seller may enter upon the premises where property may be and remove same. Seller may resell said property so taken, at public or private sale, without demand or performance, with or without notice to Buyer (if given, notice by mail to address furnished by Buyer being sufficient), with or without having a lien property at a sale and upon such terms and in such manner as Seller may determine, or if such be prohibited Seller may retake and sell in any manner provided by law. Seller may bid at any public sale. From the proceeds of any such sale Seller shall deduct all expenses for retaking, repairing and selling such property, including a reasonable attorney's fee. The balance thereof shall be applied to amount due; in case of deficiency Buyer shall pay same with interest. Seller shall have the right to enforce one or more remedies hereunder, successively or concurrently. Acceptance by the Seller of any payment required hereunder, after same is due, shall not constitute a waiver of this or any other provision of this contract. The Seller is authorized to correct patent errors in this contract. Seller's assignee shall be entitled to all the rights of the Seller. Buyer waives as against any assignee of the Seller any defenses, set offs or counter claims Buyer may be entitled to assert against Seller.

FILED FOR RECORD

AT 1:55 O'CLOCK P. M.

SEP 22 1961

(USE ONLY WHERE REQUIRED BY STATE LAW)

State of _____ SS

County of _____

On this _____ day of _____, 19 _____, before me,

a Notary Public in and for the said county and state personally appeared,

who, being first duly sworn, deposes and says: This is an exact duplicate of the original of this Contract of Conditional Sale.

Notary Public in and for said county and state.

2928704 I H 003

b6
b7c

BUYER'S CREDIT STATEMENT (REV. 6-60) **DEALER** **SUPERIOR MANUFACTURING COMPANY** **DATE** **9-22-61**

NAME OF BUYER **BILLIE SOL ESTES** **BUYER AGE** **(1)**

STREET NO. OR RR NO. **P. O. BOX 1052** **CITY** **PECOS** **STATE** **TEXAS**

LANDLORD OR MTO. HOLDER **CITY** **NO. FRY OR RENT** **FURNITURE** ☐ CLEAR ☐ AUTO ☐ CLEAR ☐ OWES ☐ MAKE ☐ VR ☐ OWES ☐ CHECKING ☐ SAVINGS

PREVIOUS ADDRESS **HOW LONG** **HOW LONG IN AREA** **BANK - BRANCH** **ADDRESS** **RELATIONSHIP**

TWO RELATIVES AND ONE FRIEND NOT LIVING WITH PURCHASER

SPOUSE'S NAME **CO-MAKER** **ADDRESS** **HOW LONG**

BUYER'S PREVIOUS EMPLOYER **EMPL. AS** **ADDRESS** **HOW LONG**

DEALER NAME **BUYER EMPLOYED BY** **AS** **BUS. PHONE** **INCOME** **HOW LONG** **RES. TIME**

SECURITY **SPOUSE EMPLOYED BY** **AS** **BUS. PHONE** **INCOME** **HOW LONG** **RES. PHONE**

DEPENDENTS **COLOR** **(10)** **MARRIED** **DIV** **H.O.** **(12)** **P.U.** **OTHER INCOME (SPECIFY)** **INCOME** **HOW LONG** **RES. TIME**

ITEM **TO WHOM OWED (13)** **ADDRESS OR PHONE** **BALANCE** **HOW PAID**

CONTRACT OF CONDITIONAL SALE **BILLIE SOL ESTES** **BUYER, HEREBY PURCHASES**
 THE UNDERSIGNED SELLER HEREBY SELLS, AND THE UNDERSIGNED **BILLIE SOL ESTES** **BUYER, HEREBY PURCHASES**
 FOR THE TIME BALANCE AND SUBJECT TO THE TERMS AND CONDITIONS HEREINAFTER SET FORTH, THE FOLLOWING PROPERTY, DELIVERY AND ACCEPTANCE OF WHICH
 IN GOOD ORDER IS ACKNOWLEDGED BY THE BUYER, VIZ.
☐ IF CHECKED, ATTACHED TO THIS CONTRACT OF CONDITIONAL SALE, AND BY THIS REFERENCE MADE A PART HEREOF, IS A NOTICE OF PROPOSED
CREDIT LIFE AND/OR CREDIT DISABILITY INSURANCE.

NEW OR USED **MODEL** **SERIAL NO.** **DESCRIPTION OF GOODS OR SERVICES (IF GOODS GIVE MAKE OR TRADE NAME)** **CASH SALES PRICE**

4 - 12,000 GALLON NH3 STORAGE TANKS COMPLETE WITH MOTORS, COMPRESSORS, AND PIPING

SERIAL NO'S. S-1327, S-1328, S-1330 AND S-1331

64 - 1,000 GALLON NH3 TANKS MOUNTED ON AND TOGETHER WITH 4-WHEEL TRAILERS COMPLETE

WITH WHEELS, AXLES, TIRES, AND HOSES -

SERIAL NO'S. A-13897 THRU A-13916; A-13982 THRU A-14025

INSURANCE APPLICATION COVERING ITEMS PURCHASED

COVERAGE	LMTS. OF LIA.	PREMIUMS
	\$	\$
	\$	\$
TOTAL INSURANCE PREMIUM (ENTER AS ITEM D)	\$	\$

The Buyer(s) agrees to pay said total contract time balance in **36** monthly installments of \$ **1,967.00** on the **5TH** day of each succeeding month, beginning **NOVEMBER 5, 1961** at the office of the Seller or Seller's Assignee, with interest thereon after maturity at the highest legal rate at which parties may contract together with a reasonable collection fee in event of default, or in lieu of interest after maturity Buyer agrees to pay such delinquency charges as are permitted by law and if the services of an attorney be employed for the enforcement of any of the obligations of Buyer, or rights of Seller, by suit or otherwise, Buyer agrees to pay reasonable attorney's fees. The terms and conditions of this contract are set forth on the reverse side hereof and the same are hereby referred to and by this reference incorporated herein as though fully set forth above. The Buyer(s) states that there is, or is to be, no other extension of credit from any source in connection with the purchase of the above described article or articles. Executed in triplicate, one copy of which was delivered to and retained by Buyer, this **22ND** day of **SEPTEMBER, 1961**

BILLIE SOL ESTES
 Signature of Buyer
P. O. BOX 1052 **PECOS, TEXAS**
 Address of Buyer

SALES TAX \$

TOTAL CASH SALE PRICE \$ **77,360.00A**

LESS DOWN PAYMENT \$ **17,360.00** **CASH** **TRADE-IN** \$ **17,360.00B**

UNPAID CASH BALANCE (Description of Trade-In if any) \$ **60,000.00C**

INSURANCE TO BE PROCURED BY ☐ BUYER ☐ SELLER **D**

If no insurance premium shown, no coverage will be procured.

OFFICIAL FEES (DESCRIBE) \$ **E**

UNPAID BALANCE (ITEM C + D + E) \$ **60,000.00F**

TIME PRICE DIFFERENTIAL \$ **10,812.00G**

TIME BALANCE (ITEM F + G) \$ **70,812.00H**

SUPERIOR MANUFACTURING COMPANY
 4110 N. E. 8TH AVE. **SELLER** **AMARILLO, TEXAS**
 SELLER'S ADDRESS **TITLE VICE-PRESIDENT**
 PRINTED IN U.S.A. **ORIGINAL TO PACIFIC FINANCE**

29-28704 I H 8c3

ACKNOWLEDGMENT BY INDIVIDUAL

County of _____ ss: Before me, the undersigned authority, on this day personally appeared _____
and _____ known to me to be the person whose name subscribed to the within instrument,
and my seal of office this the _____ day of _____, 19____
My Commission expires _____ 19____
Notary Public _____ County, Texas.

ACKNOWLEDGMENT BY CORPORATION

County of _____ ss: Before me, the undersigned authority, on this day personally appeared _____
the _____ of _____
known to me to be the person whose name subscribed to the foregoing instrument and acknowledged to me
the same as the act and deed of said _____ for the purposes and consideration
expressed and in the capacity therein set forth.
GIVEN under my hand and seal of office this the _____ day of _____, 19____
My Commission expires _____ 19____
Notary Public _____ County, Texas.

DEALER'S REPRESENTATIONS AND ASSIGNMENT

For value received, undersigned by the execution of a particular endorsement contained below, which shall be and constitute a part of this assignment, hereby assigns, transfers, sets over and conveys to the Southwestern Investment Company, its successors and assigns, all rights and interests in and to the contract described herein, together with the lien thereby created, on the property therein described, and to such property and all rights and remedies thereunder, before, during and after the execution of this assignment, undersigned warrants that such instrument is genuine, correct and valid, and that no proceedings or proceedings might have taken, except for this assignment, which would in any way affect the validity of the contract described herein and in all respects that it purports to be, that the Mortgagor in such contract and all parties thereto at such time had the legal capacity to contract and make the same, that the cash payment indicated therein has been received and/or the amount given for the trade-in is the amount indicated, and that no warranties with reference to such property were made by undersigned other than as contained in said agreement, all statements of facts therein contained are true, and at the time of the execution of such contract undersigned had good title to said property and the right to transfer unencumbered title thereto, that certificate of title showing evidence in favor of Southwestern Investment Company has been applied for as required by law, and undersigned has no knowledge of any facts which impair the validity or value of said instrument, and that all Federal and State laws, rules and regulations applicable to the transaction out of which the note secured thereby and the lien hereby assigned were acquired have been complied with. All of the foregoing warranties are made by or furnished for the purpose of inducing Southwestern Investment Company to purchase the foregoing lien contract and the note secured thereby and we shall have no authority, without Southwestern Investment Company's prior consent, to accept payments on and/or repossess or to incur by Southwestern Investment Company upon demand said note and lien, and pay thereon not less than the amount owing thereon plus any and all costs and expenses paid or incurred by Southwestern Investment Company in respect thereof, and said remedy shall be cumulative and not exclusive and shall not affect any other right or remedy Southwestern Investment Company might have at law or in equity against undersigned or the maker of the said note and lien; Southwestern Investment Company is hereby authorized to correct patent errors in said contract and any other papers executed, endorsed or assigned by undersigned in connection therewith.

DEALER'S ENDORSEMENTS

ENDORSEMENT NO. ONE: WITHOUT RECOURSE

Pay to the order of SOUTHWESTERN INVESTMENT COMPANY without recourse.

Dealers Name
(Print or Type) _____

(Owner, Officer,
or Firm Member) By _____

ENDORSEMENT NO. FOUR: LIMITED REPURCHASE

Pay to the order of SOUTHWESTERN INVESTMENT COMPANY without recourse, excepting that if the maker fails to pay _____ installments of this Contract toward its satisfaction, as they become due and payable, then the Undersigned will pay to Southwestern Investment Company, upon demand, an amount equal to the entire unpaid balance thereof in repurchase of the Contract described herein.

Dealers Name
(Print or Type) _____

(Owner, Officer,
or Firm Member) By _____

ENDORSEMENT NO. TWO: FULL RECOURSE

Pay to the order of SOUTHWESTERN INVESTMENT COMPANY without recourse, and in consideration of your purchasing from us the contract described herein and for value received, the Undersigned, jointly and severally, guarantee the payment, when due to any holder thereof, of all amounts from time to time owing thereunder, and the payment, upon demand, of the entire amount owing on said contract in the event of default in payment thereof by the Purchaser named herein. Undersigned agrees to accept notice of this guaranty, notice of any extension in time of payment, notice of sale of any collateral, and all other notices to which Undersigned may be entitled by law, and agrees to pay all amounts owing hereunder in or default without request or proceeding against the Purchaser.

Dealers Name
(Print or Type) **SUPERIOR MANUFACTURING COMPANY**

(Owner, Officer,
or Firm Member) By **R. W. ALEXANDEI, SECRETARY-TREASURER**

ENDORSEMENT NO. THREE: PARTIAL RECOURSE

Pay to the order of SOUTHWESTERN INVESTMENT COMPANY without recourse, except that the Undersigned guarantees Southwestern Investment Company against any loss of whatsoever nature, which Southwestern Investment Company may suffer, to the extent of \$_____. Undersigned agrees to pay forthwith and without demand, said sum to Southwestern Investment Company, upon receipt of any notice of such loss, plus costs, expenses and all reasonable attorney's fees incurred by Southwestern Investment Company in attempting to collect the above amount(s).

Dealers Name
(Print or Type) _____

(Owner, Officer,
or Firm Member) By _____

ENDORSEMENT NO. FIVE: REPURCHASE

Pay to the order of SOUTHWESTERN INVESTMENT COMPANY without recourse, except that Undersigned agrees to repurchase the automobile described herein upon demand, and will pay therefor the unpaid portion of the purchase price, subject to the existing Dealer's Protection Agreement, or in lieu of such an agreement, upon tender of the vehicle to Undersigned within ninety (90) days after maturity of the entire installment unpaid at the time of such delivery.

Dealers Name
(Print or Type) _____

(Owner, Officer,
or Firm Member) By _____

ENDORSEMENT NO. SIX: PARTIAL REPURCHASE

Pay to the order of SOUTHWESTERN INVESTMENT COMPANY without recourse, except that if Southwestern Investment Company repossesses the automobile herein, the Undersigned shall have the option upon demand by Southwestern Investment Company to pay Southwestern Investment Company \$_____ or buy said automobile from Southwestern Investment Company for the then unpaid balance hereof in its then "as is" condition and wherever located.

Dealers Name
(Print or Type) _____

(Owner, Officer,
or Firm Member) By _____

292804 EH QC1

SELLER'S ASSIGNMENT

FOR VALUE RECEIVED, the undersigned does hereby sell, assign and transfer to Pacific Finance Loans or order, his, its or their right, title and interest in and to the within Conditional Sales Contract and the property covered thereby or the Retail Installment Contract for services, as the case may be, and authorizes said assignee, or order, to do every act and thing necessary to collect and discharge the same, including the right to endorse any check or draft payable to the undersigned in connection with this obligation.

WITHOUT RECOURSE

This assignment is made WITHOUT RECOURSE, except as to the following warranties and conditions, to wit: that the said contract is a bona fide one and was actually executed by the person named therein as Buyer; that said Buyer was of legal age and competent to execute said contract at the time of the execution thereof; that the property which is the subject of said contract is truly and accurately described therein; that said property has been delivered into the possession of said Buyer; that the services, if any, which is the subject of this contract are truly and accurately described therein and said services have been (or will be if so set forth) rendered; that the amount recited in said contract as having been received upon the signing thereof as part of the purchase price of said property or services was actually paid by Buyer in cash and/or by merchant's check or trade at not more than its then cash value; that we have the full and complete title to said property subject only to the rights of said Buyer which exist under and by virtue of the terms of said contract; that amount owing upon said contract at the time of its execution is correctly stated therein; that there are no requirements, covenants or conditions in the said contract against the same; that there have been no representations or warranties made to said Buyer which are not contained in said contract; that the undersigned further warrants that any contract signed by the wife alone on their said contract be in the name of the wife or husband or both was entered into by the wife as the agent of the husband and the husband does not or will not hereafter deny said personal legal liability thereunder. Should any of the foregoing representations or warranties be false, then we agree to purchase on demand from said assignee said contract for the amount of the then unpaid balance on said contract. In the event said contract is brought by assignee to enforce this agreement we agree to pay all costs and reasonable attorney's fees incurred by assignee in such enforcement. We consent to extensions of payments or alterations of said contract which may be made by the assignee.

WITH RECOURSE

The undersigned GUARANTEES the within contract and the property described therein subject only to the rights of the Buyer set forth in said contract. I/we guarantee the payment of all amounts due and to become due by the terms of said contract, and all costs, including reasonable attorney's fees, incurred in collecting the money or attempting the collection thereof, or the enforcement of any right under said contract or under this guaranty, and I/we hereby consent that extensions as to the time of payment may be made to the Buyer, either before or after maturity, or that the said contract may be changed in any other particular without in any manner releasing me/us from liability. The undersigned hereby waives any and all notice of non-payment, demand, presentment or protest which may be required under this assignment or in connection therewith. I/we agree that my/our obligation hereunder shall be enforceable even though the assignee's right to enforce the said contract, or any provision thereof, be suspended or impaired by any statute or otherwise, and hereby waive all statutes of limitation and the defense thereof.

SUPERIOR MANUFACTURING COMPANY

Walter E. ... VICE-PRES.

ADDITIONAL TERMS AND CONDITIONS OF CONTRACT

1. Buyer acknowledges that he has been advised as to both the aggregate cash price and the aggregate time price of the property and that he realizes the time price is greater than the cash and that he has agreed to pay the time price as stated on the reverse hereof is for the purpose of securing statistical facts and information for records of Seller.
2. Title to said property shall not pass to Buyer until the time when the contract is fully paid in cash. No warranties, express or implied, have been made by the Seller unless endorsed herein in writing.
3. Time is of the essence of this contract, and if Buyer defaults in complying with any of the terms hereof, Seller, at his option and without notice to Buyer, may declare the whole amount unpaid hereunder immediately due and payable, or Seller may take immediate possession of said property without demand (possession after default being unlawful), including any equipment or accessories thereto, and for this purpose Seller may enter upon the premises where property may be and remove same. Seller may resell said property so taken at public or private sale without demand of performance, with or without notice to Buyer (if given, notice by mail to address furnished Seller by Buyer being sufficient) with or without having said property at public sale, and upon such terms and in such manner as Seller may determine, or if such be prohibited Seller may retake and sell in any manner and at any public sale. From the proceeds of any such sale Seller shall deduct all expenses for retaking, repairing and selling such property, including a reasonable attorney's fee. The balance thereof shall be applied to amount due; in case of deficiency Buyer shall pay same with interest. Seller shall have the right to enforce one or more remedies hereunder, successively or concurrently. Acceptance by the Seller of any payment in the ... under, after same is due, shall not constitute a waiver of this or any other provision of this contract. The Seller is authorized to correct patent errors in the ... s assignee shall be entitled to all the rights of the Seller. Buyer waives as against any assignee of the Seller any defenses, set offs or counter claims to assert against Seller.

FILED FOR RECORD
AT 10:30 AM NOV 2 1960
copy was

(USE ONLY WHERE REQUIRED BY STATE LAW)

State of Al ss
County of ...

On this ... day of ..., 19 ..., before me,

a Notary Public in and for the said county and state personally appeared

and being first duly sworn, deposes and says: This is an exact duplicate of the original of this Contract of Conditional Sale.

NOTARY

DI

Notary Public

24-28704 EH 002

b6
b7c

6206

DEALER
SUPERIOR MANUFACTURING COMPANY # *PT* DATE **11-23-60**

BUYER'S CREDIT STATEMENT PA 1021 GEN. (REV. 9-50)

NAME OF BUYER
BILLIE SOL ESTES ENTERPRISES

STREET NO. OR R.F. NO.
PECOS, TEXAS

CITY
PECOS, TEXAS

STATE
TEXAS

DEALER'S OR BUYER'S CITY
PECOS, TEXAS

PREVIOUS ADDRESS
PECOS, TEXAS

TWO RELATIVES AND ONE FRIEND NOT LIVING WITH PURCHASER
PECOS, TEXAS

CO-MAKER
PECOS, TEXAS

BUYER'S PREVIOUS EMPLOYER
PECOS, TEXAS

DEALER NAME
PECOS, TEXAS

SECURITY
PECOS, TEXAS

DEPENDENTS
PECOS, TEXAS

ITEM TO WHOM OWED (13)

NO. PAY OR RENT
PECOS, TEXAS

NO. ROOMS
PECOS, TEXAS

NO. LONG
PECOS, TEXAS

NO. LONG IN AREA
PECOS, TEXAS

BANK - BRANCH
PECOS, TEXAS

RELATIONSHIP
PECOS, TEXAS

CO-MAKER
PECOS, TEXAS

BUYER EMPLOYED BY
PECOS, TEXAS

SPOUSE EMPLOYED BY
PECOS, TEXAS

DEALER NAME
PECOS, TEXAS

SECURITY
PECOS, TEXAS

DEPENDENTS
PECOS, TEXAS

ITEM TO WHOM OWED (13)

CONTRACT OF CONDITIONAL SALE
THE UNDERSIGNED SELLER HEREBY SELLS, AND THE UNDERSIGNED **BILLIE SOL ESTES ENTERPRISES** BUYER, HEREBY PURCHASES FOR THE TIME BALANCE AND SUBJECT TO THE TERMS AND CONDITIONS HEREINAFTER SET FORTH, THE FOLLOWING PROPERTY, DELIVERY AND ACCEPTANCE OF WHICH IN GOOD ORDER IS ACKNOWLEDGED BY THE BUYER, VIZ.
☐ IF CHECKED, ATTACHED TO THIS CONTRACT OF CONDITIONAL SALE, AND BY THIS REFERENCE MADE A PART HEREOF, IS A NOTICE OF PROPOSED CREDIT LIFE AND/OR CREDIT DISABILITY INSURANCE.

NEW OR USED
100 - 500 GAL. PHOSPHORIC ACID TANKS MOUNTED ON 4-WHEEL TRAILERS COMPLETE WITH WHEELS, TIRES, GASOLINE ENGINE, STAINLESS STEEL PUMP AND HOSE - SER. #'S. P-7284 THRU P-7333; P-7345 THRU P-7394.

MODEL
90 - COMBINATION AMMONIA AND ACID FIELD APPLICATIONS COMPLETE WITH TIRES, PUMPS AND HOSES - SER. #'S. PA-1245 THRU PA-1294; PA-1310 THRU PA-1349

SERIAL NO.
PECOS, TEXAS

DESCRIPTION OF GOODS OR SERVICES (IF GOODS GIVE MAKE OR TRADE NAME)
PECOS, TEXAS

CASH SALES PRICE
PECOS, TEXAS

INSURANCE APPLICATION COVERING ITEMS PURCHASED		
COVERAGE	LMTS. OF LIA.	PREMIUMS
	\$	\$
	\$	\$
TOTAL INSURANCE PREMIUM (ENTER AS ITEM D)		\$

The Buyer(s) agrees to pay said total contract Time Balance in **36** successive monthly installments of **\$5,847.56** on the **7TH** day of each successive month, beginning **JANUARY 7, 1961**

at the office of the Seller or Seller's Assignee, with interest thereon after maturity at the highest legal rate at which parties may contract, together with a reasonable collection fee in event of default, or in lieu of interest after maturity. Buyer agrees to pay such delinquency charges as are permitted by law, and if the services of an attorney be employed for the enforcement of any of the obligations of Buyer, or rights of Seller, by suit or otherwise, Buyer agrees to pay reasonable attorney's fees. The terms and conditions of this contract, are set forth on the reverse side hereof and the same are hereby referred to and by this reference incorporated herein as though fully set forth above. The Buyer(s) states that there is, or is to be, no other extension of credit from any source in connection with the purchase of the above described article or articles. Executed in triplicate one copy of which was delivered to and retained by Buyer, this **23** day of **NOVEMBER, 1960**.

BILLIE SOL ESTES ENTERPRISES
Signature of Buyer
Billie Sol Estes
Address of Buyer
PECOS, TEXAS

SUPERIOR MANUFACTURING COMPANY
SELLER
4110 NORTHEAST EIGHTH AVENUE, AMARILLO, TEXAS
SELLER'S ADDRESS
BY *Stanley E. Cox* TITLE VICE-PRESIDENT
PRINTED IN U.S.A. ORIGINAL TO PACIFIC FINANCE

SALES TAX
TOTAL CASH SALE PRICE
LESS DOWN PAYMENT \$ 44,600.00 CASH TRADE-IN
UNPAID CASH BALANCE
UNPAID BALANCE (ITEM C + D + E)
TIME PRICE DIFFERENTIAL
TIME BALANCE (ITEM F + G)

(Description of Trade In if any)
\$178,400.00C
\$223,000.00A
\$44,600.00B
\$178,400.00F
\$32,112.16G
\$210,512.16H

29 28704 15 H 022

The Attorney General

May 14, 1962

Director, FBI

**BILLIE SOL ESTES
INTERSTATE TRANSPORTATION OF
STOLEN PROPERTY - BRIBERY
ANTITRUST - ELECTION LAWS**

Information has been received in the captioned case, that the Commercial Solvents Corporation, New York, New York, one of the United States' biggest manufacturers of anhydrous ammonia, was the principal source of the ammonia for Billie Sol Estes. Estes was selling the fertilizer to Texas farmers at cut-rate prices and drove rival dealers out of business.

RECEIVED - READING ROOM

MAY 14 1 23 PM '62

There is an indication that virtually all of the independent distributors and dealers in anhydrous ammonia in the High Plains area of Texas were driven out of business and/or sold out their business to Estes or some other major ammonia producing company which could absorb the losses necessary to meet the prices at which Estes sold ammonia.

Information has also come to our attention which indicates that Estes once exhibited a card which purported to show that he was a \$100,000 sustaining member of the "National Democratic Party." It has also been indicated that William Eugene Morris, who was then employed by the Department of Agriculture, suggested to Estes in September, 1961, that Estes forward to Morris two checks payable to the Treasurer, Democratic National Committee. One check, in the amount of \$220, was to reimburse Congressman Harlan Hagen for the cost of reprinting 25,000 copies of a speech to be mailed under Congressman Hagen's frank. The speech was entitled "Promoting and Protecting the American Way of Life in Agriculture," and it had been prepared by Dr. James T. Ralph, Morris' superior in the Department of Agriculture.

MAILED 2
MAY 14 1962

114

REC-6

29-26707-283

The other check was to be in the amount of \$100 for Congressman Ed Edmondson, who allegedly was in financial difficulties as a result of campaign expenses. Morris' wife was an employee of Congressman Edmondson.

Tolson _____
Belmont _____
Mohr _____
Callahan _____
Conrad _____
DeLoach _____
Evans _____
Malone _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

- 1 - Mr. DeLoach
- 1 - Mr. Evans
- 1 - Mr. Mohr

TWC:cag

(15)

SEE MEMO ROSEN TO BELMONT, ABOVE CAPTION,
5/14/62, TWC:ljg/cag.

67 MAY 16 1962

TELETYPE UNIT ☐

The Attorney General

Estes allegedly forwarded the checks to Morris, who resides in McLean, Virginia, with the understanding that Morris would present the checks to the Democratic National Committee. The Democratic National Committee would then issue checks in like amounts for the two Congressmen.

The information which we have received indicates that Morris may have subsequently returned the checks to Estes and requested that Estes make new checks payable directly to the Congressmen.

In accordance with our established procedure, this Bureau is conducting no investigation relative to any possible Antitrust or Election Law violations in the absence of a specific request from the Department of Justice; however, it was thought that you might want the above information brought to your attention.

- 1 - The Deputy Attorney General
- 1 - Mr. Burke Marshall
Assistant Attorney General
- 1 - Mr. Herbert J. Miller, Jr.
Assistant Attorney General
- 1 - Mr. Lee Loevinger
Assistant Attorney General

5/14/62

Airtel

To: SAC, Washington Field
From: Director, FBI
Subject: BILLIE SOL ^EESTES
ITSP - BRIBERY

717-5

ReBureau phone call 3pm.

With reference to the interview conducted with Ralph at the WFO on May 14, 1962, this is to set out the following instruction.

Any statement by Ralph as to the purpose of his calls on the Estes account should be immediately resolved by setting out appropriate leads and instructing the interested offices to sutel reply immediately.

1 - Malley

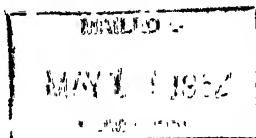
1 - Welte

TWC/jms

(6)

6

14



REC-9

29-28707-284

MAY 15 1962

EX-115

1962

Tolson _____
Belmont _____
Mohr _____
Callahan _____
Conrad _____
DeLoach _____
Evans _____
Malone _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

MAIL ROOM ☐ TELETYPE UNIT ☐

UNITED STATES GOVERNMENT

Memorandum

TO : Mr. Belmont

DATE: May 11, 1962

FROM : A. Rosen

SUBJECT: BILLIE SOL ESTES
INTERSTATE TRANSPORTATION
OF STOLEN PROPERTY - BRIBERY

Tolson _____
Belmont _____
Mohr _____
Callahan _____
Conrad _____
DeLoach _____
Evans _____
Malone _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

SAC Crosby, El Paso, in discussion today, advised that it would be possible for them to check the business telephone of Estes at Pecos, Texas, in an effort to find the telephone calls originally sought by the Department. The original request from [redacted] was to check all incoming and outgoing long-distance telephone calls made or charged to Estes' home telephone. This was done without our locating any pertinent telephone calls in which the Department had an interest.

SAC Crosby has just advised that a check of the telephone calls of the Estes enterprises business telephone in Pecos, Texas, has revealed four telephone calls which were believed to be of interest. Four calls, all of which were charged to Estes' business account based on credit card number 445-4917-K 221, originated at McLean, Virginia.

On 2/17/62, a call was made at McLean, Virginia, charged by means of the above credit card to Estes in Pecos, Texas. This call was made to Estes' home phone; however, it was charged to the business telephone.

On 2/18/62, a call was made on the basis of the same credit card, no name given, from McLean, Virginia, to [redacted] Montana, telephone number [redacted]

On 2/18/62, a telephone call was charged to Estes' business account by means of the same credit card. The call was made by Dr. Ralph, McLean, Virginia, to [redacted] California, [redacted]

On 2/18/62, a call was charged to Estes' business account by means of the same credit card. The call was made from Dr. Ralph, McLean, Virginia, to [redacted] California, telephone number [redacted]

The above information was telephonically furnished to First Assistant to Assistant Attorney General Miller, [redacted] and this will be confirmed in writing.

63 MAY 18 1962

1 - Mr. Evans

1 - Mr. DeLoach

WBW:ige

1 - Mr. Mohr

(9)

CC MR. TOLSON

5/14/62

CODE

RADIOGRAM

URGENT

TO SACS ALL CONTINENTAL OFFICES
FROM DIRECTOR, FBI
BILLIE SOL ⁽¹⁾ESTES, ITSP DASH BRIBERY.

THIS CASE IS OF UTMOST IMPORTANCE AT THE BUREAU. ANY
OFFICE RECEIVING ANY INTELLIGENCE INFORMATION CONCERNING ACTIONS
OF ESTES OR OFFICIALS OF HIS ENTERPRISES OR GOVERNMENTAL
OFFICIALS OR ANYTHING OF PERTINENCE TO THIS INVESTIGATION
SHOULD ADVISE THE BUREAU IMMEDIATELY BY TELETYPE. THIS
INVESTIGATION SHOULD BE FULLY EXPLORED AND DAILY TELETYPES
SUBMITTED AT THE CLOSE OF BUSINESS EACH DAY REFLECTING
INVESTIGATION CONDUCTED DURING THAT DAY.

VIA TELETYPE THRU WASHINGTON 5-14-62
JACKSONVILLE AND PHILADELPHIA
VIA TELETYPE THRU SAN DIEGO

EL PASO 5-14-62

ok to hold for Monday May 14 contact per Mr. Fletcher Thompson

29-28204-286

NOTE:

EX-114 REC-70
THIS SHOULD BE SENT IN THE NEXT REGULAR CONTACT WITH
EACH OFFICE. 19 MAY 18 1962

GEB/jms;inc
(3)

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE

COMMUNICATIONS SECTION
MAY 14 1962

TELETYPE
10/46 PM

NR.	122035
ENC.	ent
CK.	ent
APPROVED BY	ent
TYPED BY	

VIA RADIOGRAM
MAY 18 1962

Tolson _____
Belmont _____
Mohr _____
Callahan _____
Conrad _____
DeLoach _____
Evans _____
Malone _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

MAIL ROOM TELETYPE UNIT

62 MAY 18 1962

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
MAY 14 1962

nan
TELETYPE

URGENT 5-14-62 10-46 PM RAM

TO SACS ALL CONTINENTAL OFFICES

FROM DIRECTOR 1 P

BILLIE SOL ESTES, ITSP DASH BRIBERY.

THIS CASE IS OF UTMOST IMPORTANCE AT THE BUREAU. ANY OFFICE RECEIVING ANY INTELLIGENCE INFORMATION CONCERNING ACTIONS OF ESTES OR OFFICIALS OF HIS ENTERPRISES OR GOVERNMENTAL OFFICIALS OR ANYTHING OF PERTINENCE TO THIS INVESTIGATION SHOULD ADVISE THE BUREAU IMMEDIATELY BY TELETYPE. THIS INVESTIGATION SHOULD BE FULLY EXPLORED AND DAILY TELETYPES SUBMITTED AT THE CLOSE OF BUSINESS EACH DAY REFLECTING INVESTIGATION CONDUCTED DURING THAT DAY.

END & ACCK PLS

PH OK FBI PH ERA

TU DISC

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
MAY 14 1962

TELETYPE

URGENT 5-14-62 9-57 PM RAM

TO SACS ALL CONTINENTAL OFFICES
FROM DIRECTOR 1 P

BILLIE SOL ESTES, ITSP DASH BRIBERY.

THIS CASE IS OF UTMOST IMPORTANCE AT THE BUREAU. ANY OFFICE RECEIVING ANY INTELLIGENCE INFORMATION CONCERNING ACTIONS OF ESTES OR OFFICIALS OF HIS ENTERPRISES OR GOVERNMENTAL OFFICIALS OR ANYTHING OF PERTINENCE TO THIS INVESTIGATION SHOULD ADVISE THE BUREAU IMMEDIATELY BY TELETYPE. THIS INVESTIGATION SHOULD BE FULLY EXPLORED AND DAILY TELETYPES SUBMITTED AT THE CLOSE OF BUSINESS EACH DAY REFLECTING INVESTIGATION CONDUCTED DURING THAT DAY.

END & ACCK PLS

JM OK FBI JK JEJ

UTU JEJ DISC

2:12 PM

May 11, 1962

MEMORANDUM FOR MR. TOLSON
MR. BELMONT
MR. ROSEN
MR. EVANS
MR. DE LOACH

While talking to Senator John L. McClellan on another matter when I returned his earlier call, the Senator stated he would like to inquire about something else, that they are now investigating the Billie Sol Estes matter and the Attorney General had called him, McClellan, yesterday and told him the Department wanted him to have everything that it had and for the Senator to work with Assistant Attorney General Miller. The Senator inquired of me if there was anything in our files that we would have to withhold from the Committee. I stated off hand I would say there is nothing; however, there has been a question raised in Texas as we went to the receiver who has been designated to operate Estes' holdings and asked him for certain records and things and he was reluctant to make them available unless it were cleared as to whether it would prejudice any action he was proposing to take himself. I stated we took this up with the United States Attorney in Texas, who has referred it to Assistant Attorney General Miller here at the Department for decision. I stated it is a very technical question.

I continued that we have not been able to analyze all of these records as we did not take possession of them; that there have been a lot of names thrown around and it does require that we go into it thoroughly. I stated that I would think off hand, until the Department makes a ruling on this legal point which was raised, the thing for him, the Senator, to do is to talk with Miller and I would think he would share my view. I stated I felt as the Attorney General has told him that we ought to exchange information and work together as we did on the racketeering hearings and any material we have be made available to him. I stated we have made copies of things in these places where we have gone in this case and the receiver is interested in any money which Estes may have tried to shift from one bank to another. I stated the banks feel they should be protected by subpoenas but we usually try to induce the banks to let us see what they have and then if there is something to be used in court, we protect them with a subpoena when the time comes to use it, but my reaction would be that the material certainly ought to be as readily available to the Senator as we are hoping it is going to be made available to us by the banks and receiver in Texas.

UNRECORDED COPY FILED IN

Tolson
Belmont
Mohr
Callahan
Conrad
DeLoach
Evans
Malone
Rosen
Sullivan
Tavel
Trotter
Tele. Room
Holmes
Gandy

52 MAY 17 1962 JEN:edm (9)

MAIL ROOM TELETYPE UNIT ☐

XEROX
SEE REVERSE SIDE FOR
ADD. DISSEMINATION.

REC-81 MAY 15 1962

May 11, 1962

Memorandum for Messrs. Tolson, Belmont, Rosen, Evans, DeLoach

I stated, of course, within the Department of Agriculture there have been allegations of gifts and a few dismissals, but for his confidential information, unfortunately, in one of these cases at Agriculture in a hearing accorded a man under his veteran's rights, there was no transcript made, just notes taken, which is very bad in any legal proceeding. The Senator inquired if this was Morris and I stated it was (William E. Morris). The Senator stated he had talked to Morris and he pretty well came clean with him. I stated in regard to all to whom we have talked there has been no hesitancy on their part in talking and there was one fellow we talked to, who was fired, who said there were records in Agriculture which would substantiate his statements and we have asked the Secretary for those records and I assume they will be supplied. I stated the records were locked up after the firing of this man and his secretary was sent to the mental hospital as insane and then the other day she was declared sane and we are now looking into that to see if any high-handed tactics were used. I stated you have in this picture some malcontents who are free with making charges but cannot substantiate them. I stated we are trying to proceed cautiously and with as much speed as caution will allow. The Senator remarked that he was not going to be stampeded. I stated we have taken the position of making no comment. I stated the thing I am trying to do is to dig in and get essential facts and see whether it is bad administration in Agriculture that has to be corrected internally or whether there are violations of law for the Department of Justice to determine whether to present to a grand jury. The Senator stated he appreciates my cooperation and he wants to hold it in control as much as possible until they get in a position to actually hold hearings and get the facts.

I stated there were a lot of political fireworks in the case, but one does not get evidence that way and the thing we are interested in is seeing if we can get pay dirt and not indulge in smears. I stated anything we have, the Senator, can certainly have.

Very truly yours,

J. E. H.

John Edgar Hoover
Director

1 - Miss Holmes

- 2 -

SENT FROM D. O.
TIME <u>9:15 AM</u>
DATE <u>5-14-62</u>
BY <u>[Signature]</u>

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
MAY 8 1962

TELETYPE

Mr. Tolson	_____
Mr. Belmont	_____
Mr. Mohr	_____
Mr. Callahan	_____
Mr. Conrad	_____
Mr. DeLoach	_____
Mr. Evans	_____
Mr. Malone	_____
Mr. Rosen	_____
Mr. Sullivan	_____
Mr. Tavel	_____
Mr. Trotter	_____
Tele. Room	_____
Miss Holmes	_____
Miss Gandy	_____

URGENT 5-8-62 2-43 PM CST EEA

TO DIRECTOR, FBI /29-28704/ -ATTN.- GENERAL INVESTIGATIVE DIVISION

AND SAC, EL PASO /29-351/

FROM SAC, DALLAS /58-188/ 1-P

BILLIE SOL ESTES, AKA., ETAL., BRIBERY, CONFLICT OF INTEREST.
RE SAN ANTONIO TEL, MAY SEVEN LAST, AND BUTEL TODAY RE EXTENSIVE
CHECK OF BANK ACCOUNTS OF ESTES OVER THREE YEAR PERIOD DESIRED
BY DEPARTMENT REPRESENTATIVE.

DALLAS FILES INDICATE BANKS MENTIONED IN SAN ANTONIO TEL ARE
BUT A FEW OF MANY ACCOUNTS OF ESTES UNDER NAMES OF VARIOUS ENTER-
PRISES AT VARIOUS LOCATIONS. CHECK OF MICROFILM BANK RECORDS WOULD
UNQUESTIONABLY ENTAIL CONSIDERABLE EXPENDITURE OF PERSONNEL AND
TIME AND WOULD REQUIRE EXAMINATION OF MICROFILM RECORDS RE NUMEROUS
CHECKS OF NO PERTINENCE TO MATTERS IN ISSUE. SUGGEST MORE FEASIBLE
EL PASO OFFICE CHECK BOOKS AND RECORDS TURNED OVER TO RECEIVER
FOR ESTES AFFAIRS WITH PARTICULAR REFERENCE TO CASH DISBURSEMENT
LEDGERS AND CANCELLED CHECKS WHICH SHOULD DISCLOSE INFO DEPARTMENT
DESIRES AT CONSIDERABLY LESS EXPENDITURE AND ENABLE MEETING OF BUDED.
UACB, DALLAS DEFERRING ASSIGNMENT OF BANK RECORD CHECKS PENDING BU
ADVICE TO EL PASO AND DALLAS.

ESTES MAY HAVE SUICIDAL TENDENCIES.

E D ACK IN ORD

WA 4-50 PM OK FBI DA NH

EP OK FBI EP JRH

TU DISC OV

EX-105

REC-20

16 MAY 15 1962

UNITED STATES GOVERNMENT

Memorandum

TO : DIRECTOR, FBI (29-28704)

DATE: 5/15/62

FROM : SAC, WFO (87-8242) (P)

SUBJECT: BILLIE SOL ESTES, aka; et al
ITSP; BRIBERY; COI
(OO: DL)

Enclosed for the Bureau is one copy of Agriculture Handbook, No. 192, which was made available by JOHN BAGWELL, General Counsel, USDA.

This book is captioned, "Compilation of Statutes Relating to Soil Conservation, Marketing Quotas and Allotments, Soil Bank, Commodity Credit Corporation, Price Support, Export and Surplus Removal, Crop Insurance, Sugar Payments and Quotas, Marketing Agreements and Orders, School Lunch, and Related Statutes, as of January 1, 1961."

The Bureau may desire this book as reference material in connection with captioned matter.

2-Bureau (Enc. 1)
2-WFO

FWA:MJB
(4)

ENCLOSURE

REC-34

29-28704-289

16 MAY 1962

ENCLO. BEHIND FILE

U.S. DEPT. OF JUSTICE
F.B.I.

EX - 132

MAY 12 3 22 PM '62

50 MAY 17 1962

[Handwritten signatures and initials]

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
MAY 15 1962

TELETYPE

Mr. Tolson_____
Mr. Belmont_____
Mr. Mohr_____
Mr. Callahan_____
Mr. Conrad_____
Mr. DeLoach_____
Mr. Evans_____
Mr. Malone_____
Mr. Rosen_____
Mr. Sullivan_____
Mr. Tavel_____
Mr. Trotter_____
Tele. Room_____
Miss Holmes_____
Miss Gandy_____

URGENT

5-15-62

2-53

PM EDST

JV

TO DIRECTOR, FBI AND SAC, WASHINGTON FIELD
FROM SAC, BUFFALO /58-90/ 1P

BILLIE SOL ESTES, ET AL, BRIBERY - COI

RE WASHINGTON FIELD TELETYPE TO BUREAU MAY ELEVEN LAST AND
RICHMOND TELETYPE TO BUREAU MAY FIFTEEN LAST.

NO RECORD OF [REDACTED] OR ANYONE HAVING SURNAME OF [REDACTED]
LOCATED AT [REDACTED] NEW YORK.

THE FOLLOWING SOURCES WERE CONTACTED AND CONTAINED NO REFERENCE
TO ANY [REDACTED] NEW YORK TELEPHONE COMPANY, SENECA FALLS, NEW YORK
POLICE DEPARTMENT, CITY DIRECTORY OF SENECA FALLS, NEW YORK, NINETEEN
SIXTY-ONE, VILLAGE CLERK-S OFFICE AND TOWN CLERK-S OFFICE, SENECA
FALLS, NEW YORK, CREDIT BUREAU OF GENEVA, NEW YORK. REPORT FOLLOWING.
END AND ACK PLS

2-56 PMOK FBI WA RAM

TU DISC

REC-34

EX. - 132

22 MAY 16 1962

50 MAY 17 1962

TWO COPIES WFO

b6
b7c

F B I

Date: 5/15/62

Transmit the following in PLAIN TEXT
(Type in plain text or code)Via AIRTEL
(Priority or Method of Mailing)TO: DIRECTOR, FBI (29-28704)
ATTENTION: GENERAL INVESTIGATIVE DIVISION

FROM: SAC, DALLAS (58-188) (P)

SUBJECT: BILLIE SOL ESTES, aka.,
ET AL
BRIBERY; COI

OO: DALLAS

Re Dallas teletype 5/10/62.

USDA representative on 5/14/62, advised recheck of records over weekend resulted in finding of two additional payments to Commercial Solvents, New York City, as assignee of United Elevators (ESTES), totaling \$297,773.39. These additional payments reduce discrepancy between USDA figures and those furnished to New York Agents by Commercial Solvents, to \$10,100.56. USDA representative is furnishing USDA, Washington revised figures, with copy of new IBM tabulations to Dallas office; considers recheck was thorough, but will advise if any additional payments located to eliminate discrepancy.

ESTES MAY HAVE SUICIDAL TENDENCIES.

LYNUM

3 - Bureau
2 - New Orleans (58-169)
2 - WFO (87-8242)
2 - El Paso (29-351)
2 - Dallas
MCC/cjr
(11)

REC- 34

EX. - 132

29-28704-291
16 MAY 16 1962

50 MAY 17 1962

Approved: _____ Sent _____ M Per _____
Special Agent in Charge

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
MAY 14 1962

TELETYPE

Mr. Tolson	_____
Mr. Belmont	_____
Mr. Mohr	_____
Mr. Callahan	_____
Mr. Conrad	_____
Mr. DeLoach	_____
Mr. Evans	_____
Mr. Malone	_____
Mr. Rosen	_____
Mr. Sullivan	_____
Mr. Tavel	_____
Mr. Trotter	_____
Tele. Room	_____
Miss Holmes	_____
Miss Gandy	_____

URGENT 5-14-62 5-27 PM MST RAR

TO DIRECTOR, FBI

FROM SAC, EL PASO /58-59/ P

BILLIE SOL ESTES, AKA., ET. AL., BRIBERY - CONFLICT OF INTEREST.
DAILY SUMMARY.

TELETYPE, AIRTEL, AND LETTERHEAD MEMORANDUM FOR DISSEMINATION HAVE GONE FORWARD ON THE DEATH OF GEORGE KRUTILEK. AT THE TIME OF THE DEATH, CLOSE LIAISON WAS MAINTAINED WITH THE SO AND CORONER FOR ANY INDICATION OF FOUL PLAY. NO INDICATION WHATEVER DEVELOPED AT THE TIME OR IN RETRACING OUR STEPS NOW THAT ANY CONNECTION BETWEEN DEATH OF MARSHALL AND KRUTILEK OR BETWEEN DEATH AND ESTES SO FAR AS KRUTILEK IS CONCERNED. CORONER FOUND ON THE BASIS PRIMARILY OF THE AUTOPSY REPORT THAT DEATH WAS FROM A HEART ATTACK WHILE ATTEMPTING TO COMMIT SUICIDE.

[REDACTED] ESTES ENTERPRISES [REDACTED]

[REDACTED] AT PECOS, BEING INTERVIEWED FOR ADDITIONAL NAMES OF ESTES COMPANIES. RECEIVER HIMSELF WILL NOT BE AVAILABLE UNTIL MAY FIFTEEN NEXT AT THE EARLIEST FOR FURTHER INTERVIEW. [REDACTED]

[REDACTED] ESTES, WILL ALSO BE INTERVIEWED.

WASHINGTON PROJECT.

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22 MAY 16 1962

TELETYPE WENT FORWARD TODAY SETTING OUT THAT ACCORDING TO [REDACTED]

[REDACTED] THE WASHINGTON PROJECT WAS A HOUSING PROJECT AT SPOKANE,

END PAGE ONE
50 MAY 17 1962

PAGE TWO

WASHINGTON, IN WHICH ESTES HAD AN INTEREST AND WHICH ACCOUNT IN THE ESTES ENTERPRISES STILL CARRIES A CREDIT OF TEN THOUSAND DOLLARS. CHECKS MENTIONED PREVIOUSLY BY THE BUREAU APPARENTLY HAVE NOTHING TO DO WITH THIS WASHINGTON HOUSING PROJECT.

INQUIRIES CONCERNING ESTES TELEPHONES, CALLS MADE TO THEM, FROM THEM, OR CHARGES MADE ON ESTES CREDIT CARD COMPLETED. THIS COVERS ALL ESTES PHONES FROM THE PERIOD JANUARY ONE, NINETEEN SIXTYONE, TO DATE.

INVESTIGATION RE ESTES BALANCE SHEET, DECEMBER THIRTYONE, NINETEEN SIXTY, FILED WITH DEPARTMENT OF AGRICULTURE. NO PROGRESS MADE. LANGUAGE USED IN FILING THIS FINANCIAL STATEMENT IS CERTAINLY EQUIVOCAL. NO INQUIRY ABOUT ANY OF THE ITEMS IN IT CAN BE MADE UNTIL LEGAL QUESTIONS PENDING WITH THE DEPARTMENT ON LEGALITY OF SEARCH OF MATERIALS IN POSSESSION OF RECEIVED UNDER CHAPTER ELEVEN ARRANGEMENT FOR UNSCHEDULED DEBTS ANSWERED.

JACKSON AND ROGERS WHO PREPARED STATEMENT IS IN LUBBOCK.

DALLAS ADVISED AIR MAIL.

ESTES MAY HAVE SUICIDAL TENDENCIES.

END AND ACK PLS

8-37 PM OK FBI WA RAM HOLD FOR ONE

b6
b7c

FEDERAL BUREAU OF INVESTIGATION
U S DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
MAY 15 1962
TELETYPE

Mr. Tolson _____
Mr. Belmont _____
Mr. Mohr _____
Mr. Callahan _____
Mr. Conrad _____
Mr. DeLoach _____
Mr. Evans _____
Mr. Malone _____
Mr. Rosen _____
Mr. Sullivan _____
Mr. Tavel _____
Mr. Trotter _____
Tele. Room _____
Miss Holmes _____
Miss Gandy _____

URGENT 5-15-62 11-21AMCST

TM

TO DIRECTOR, FBI, ATTENTION GENERAL INVESTIGATIVE
DIVISION /29-28704/

FROM SAC, NEW ORLEANS /58-169/ 1 P

BILLIE SOL ESTES, AKA., ETAL, BRIBERY, COI. OO DALLAS.

RE DALLAS TELETYPE TO BUREAU MAY TEN LAST.

FILES OF ASCS, NEW ORLEANS, REVIEWED TODAY. NO RECORD
FOUND OF ASSIGNMENT OF PAYMENTS FOR COTTON STORAGE BY ESTES
TO COMMERCIAL SOLVENTS CORP. REPORT BEING SUBMITTED.

DALLAS AND EL PASO ADVISED AIRMAIL.

END.

REC-57

EX. - 132

ACK PLS

1-24 PM OK FBIW WA MSL

M
50 MAY 17 1962

RECEIVED

SIX

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
MAY 14 1962

TELETYPE

Mr. Tolson _____
Mr. Belmont _____
Mr. Mohr _____
Mr. Callahan _____
Mr. Conrad _____
Mr. DeLoach _____
Mr. Evans _____
Mr. Malone _____
Mr. Rosen _____
Mr. Sullivan _____
Mr. Tavel _____
Mr. Trotter _____
Tele. Room _____
Miss Holmes _____
Miss Gandy _____

URGENT 5-14-62 4-34 PM MST RAR

TO DIRECTOR, FBI /29-28704/

FROM SAC, EL PASO /29-351/ 2P

BILLIE SOL ESTES, ET AL, ITSP - BRIBERY.

REBUTEL TO DALLAS, SAN ANTONIO, EL PASO, AND WFO DATED MAY ELEVEN LAST.

AIRTEL BEING FORWARDED WITH LETTERHEAD MEMORANDUM ATTACHED RE
RESULTS OF INVESTIGATION IN REFERENCED TEL.

INVESTIGATION DISCLOSES AUTOPSY PERFORMED BY [REDACTED]

[REDACTED], [REDACTED]
[REDACTED] EL PASO COUNTY.

[REDACTED] EL PASO COUNTY,

ADVISED CORONER-S INQUEST RULING WAS DEATH BY NATURAL CAUSES PAREN
HEART ATTACK END PAREN WHILE ATTEMPTING TO COMMIT SUICIDE. [REDACTED]
ADVISED THIS RULING ARRIVED AT AS A RESULT OF CORONER-S AUTOPSY
REPORT, PLUS EVIDENCE INDICATING ATTEMPTED SUICIDE, I.E., PLASTIC
HOSE INSERTED IN REAR WINDOW OF KRUTILEK-S AUTOMOBILE WHICH HAD BEEN
AFFIXED TO EXHAUST PIPE OF CAR, IGNITION KEY IN SWITCH IN ON POSITION
AND FURTHER THE FACT THAT GAS TANK WAS EMPTY.

END PAGE ONE

50 MAY 17 1962

EX - 132

22 MAY 16 1962

EX - 132

cc: [REDACTED]

STG

PAGE TWO

REGARDING EVIDENCE NOW AVAILABLE, EL PASO SHERIFFS OFFICE HAS PLASTIC HOSE USED AND PHOTOGRAPHS OF DEATH CAR WITH BODY IN IT.

INVESTIGATION IN THIS MATTER CONDUCTED BY EL PASO COUNTY S.O. BODY OF KRUTILEK, ACCORDING TO AUTOPSY REPORT, IN A VERY ADVANCED STATE OF DECOMPOSITION. EL PASO S.O. INVESTIGATIVE REPORT AND NEWSPAPER ARTICLES REVIEWED BY NO ADDITIONAL PERTINENT INFORMATION AVAILABLE.

KRUTILEK BURIED APRIL SEVEN LAST AT MT. CARMEL CEMETERY, EL PASO. OFFICIATING MORTUARY WAS KASTER MAXÓN.

END AND ACK PLS

WA 7-42 PM OK FBI WA RAM

TU DISC PLS

NA 5/14
9:30 PM

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
MAY 14 1962

TELETYPE

Mr. Tolson	_____
Mr. Belmont	_____
Mr. Mohr	_____
Mr. Callahan	_____
Mr. Conrad	_____
Mr. DeLoach	_____
Mr. Evans	_____
Mr. Malone	_____
Mr. Rosen	_____
Mr. Sullivan	_____
Mr. Tavel	_____
Mr. Trotter	_____
Tele. Room	_____
Miss Holmes	_____
Miss Gandy	_____

W. J. R.

Curran
Briggs
7/10/62

URGENT 5-14-62 7-02PM EST JFB

TO DIRECTOR /29-28704/ AND SACS DALLAS /58-188/ AND WASHINGTON

FIELD /87-8242/

FROM SAC RICHMOND /58-185/ 1P

BILLIE SOL ESTES, ET AL.,

BRIBERY. COI. OO - DALLAS.

RE RICHMOND TEL FIVE TWELVE LAST AND DALLAS AIRTELS TO BUREAU FIVE ELEVEN, SIXTYTWO.

POST OFFICE, MC LEAN, VA., DOES NOT MAINTAIN ANY RECORDS ON PARCEL POST DELIVERIES OTHER THAN INSURED DELIVERIES. RICHMOND IN PROCESS OF CHECKING ALL INSURED PARCEL POST DELIVERIES TO FIVE NINE TWO TWO SEA CLIFF ROAD, MC LEAN, DURING SEPTEMBER AND OCTOBER, NINETEEN SIXTYONE.

CHECK OF TOLL CALLS CHARGED TO AND MADE FROM TELEPHONE OF DR. JAMES T. RALPH AND WILLIAM E. MORRIS, MC LEAN, VA., AND EMORY E. JACOBS, ARLINGTON, VA. RECORDED AT ACCOUNTING OFFICE, C & P TELEPHONE CO., RICHMOND, SHOULD BE COMPLETED ON FIVE FIFTEEN, SIXTYTWO. ESTES REPORTED TO HAVE SUICIDAL TENDENCIES. -P-

END ACK IN O PLS

WA 8-00 PM OK (B) FBI WA O// LVS

DL OK FBI DL TEW

TU DISCV

TWO COPIES WFO

REC-57

EX-132

17 MAY 16 1962

Curran

6-180

COMMUNICATIONS SECTION
MAY 14 1962

URGENT 5-14-62 942 TELETYPE GLH

TO DIRECTOR, FBI, SAC, DALLAS /58-188/
FROM SAC, KANSAS CITY /58-194/
BILLIE SOL ESTES, ET AL, BRIBERY - COIM.

RE BURAD MAY FOURTEEN LAST.

LT. [REDACTED] KANSAS HIGHWAY PATROL, WICHITA,
KANSAS, ADVISED IN CONNECTION WITH INVESTIGATION BEING
CONDUCTED BY TEXAS STATE OFFICIALS RE ESTES, HE RECEIVED
WRITTEN INQUIRY FROM DEPT. OF PUBLIC SAFETY, AUSTIN, TEXAS,
ASKING FOR IDENTIFYING INFORMATION AND BACKGROUND ON RM. H.
GARVEY /DECEASED/ [REDACTED] LL
WICHITA, KS. [REDACTED] HAD NO IDEA WHY SUCH REQUEST WOULD BE
MADE OF HIS ORGANIZATION BUT ADVISED HE WOULD ATTEMPT TO
OBTAIN REQUESTED DATA AS [REDACTED] IS WELL KNOWN IN
WICHITA. AS KC UNAWARE OF INQUIRIES CONDUCTED WITH TEXAS
STATE OFFICIALS RE THIS CASE DALLAS CONSIDER PROPRIETY OF
REQUESTING INVESTIGATION AT DPS, AUSTIN, RE ANY POSSIBLE
CONNECTIONS [REDACTED] MAY HAVE WITH THIS CASE. REVIEW OF POSTAL
MONEY ORDERS ISSUED FROM PECOS, TEXAS, CONTINUING AT KC.

ESTES MAY HAVE SUICIDAL TENDENCIES.

DL
\$4 TO BE ADVISED

CORR DL TO BE ADVISED

END AND ACK PLS

WA 11-46 PM OR FBI WA BH

TO TU BH DISC

Mr. Tolson _____
Mr. Belmont _____
Mr. Mohr _____
Mr. Callahan _____
Mr. Conrad _____
Mr. DeLoach _____
Mr. Evans _____
Mr. Malone _____
Mr. Rosen _____
Mr. Sullivan _____
Mr. Tavel _____
Mr. Trotter _____
Tele. Room _____
Miss Holmes _____
Miss Gandy _____

REC- 57.29.20704-296

EX. - 132

17 MAY 16 1962

cc Carson

FEDERAL BUREAU OF INVESTIGATION

REPORTING OFFICE Oklahoma City	OFFICE OF ORIGIN Dallas	DATE 5/14/62	INVESTIGATIVE PERIOD 5/9-11/62
TITLE OF CASE BILLIE SOL ESTES, ET AL		REPORT MADE BY [REDACTED] (A)	TYPED BY MWR b6 b7C
		CHARACTER OF CASE BRIBERY; CONFLICT OF INTEREST	

REFERENCES: Washington Field Office airtel to Director 5/7/62; Washington Field Office teletype to Director and SACs, Buffalo, Chicago, Cincinnati, Dallas, El Paso, Los Angeles, Kansas City, Louisville, Memphis, Miami, Mobile, Oklahoma City, Newark, Pittsburgh, Richmond, San Francisco, Springfield, and St. Louis, dated May 11, 1962.

-RUC-

ADMINISTRATIVE:

Copies of this report are being designated for El Paso in view of the companion case involving ESTES in which the El Paso Division is Office of Origin.

Information from Records of the Liberty National Bank and Trust Company, Oklahoma City, Oklahoma, made available to SA (A) [REDACTED] on 5/10, 11/62 by [REDACTED] Liberty National Bank and Trust Company.

APPROVED [Signature]	SPECIAL AGENT IN CHARGE	DO NOT WRITE IN SPACES BELOW	
COPIES MADE: 4 - Bureau (29-28704) 3 - Dallas (58-188) (1-USA, Ft. Worth) 3 - El Paso (29-351) (1-USA, El Paso) 1 - Oklahoma City (87-7993)		297	REC-34
DISSEMINATION RECORD OF ATTACHED REPORT		NOTATIONS	
AGENCY.....	REQUEST RECD.....	DATE FWD.....	
HOW FWD.....	BY.....	[Handwritten notes and stamps]	

OC-87-7903

WILLIAM E. MORRIS, 3806 Basil Road, Mc Lean,
Virginia, Telephone 356-4521 (Formerly EL6-4521)

As pertains to telephone call of May 14, 1961,
from captioned telephone to Claremore, Oklahoma, telephone
number [redacted] review of the Claremore, Oklahoma, telephone
directory lists [redacted] as the telephone number for [redacted]
[redacted] Oklahoma.

b6
b7c

EMERY E. JACOBS, 1309 North Pierce Street,
Arlington, Virginia, Telephone # 525-7179

As pertains to telephone calls from the
captioned telephone during the period February 4, 1962,
through March 28, 1962, it is to be noted Oklahoma City
telephone listed as 528-4533 is JACKSON 8-4533, the residence
telephone of Mr. and Mrs. EMERY E. JACOBS, 1905 N. W. 31st,
Oklahoma City, Oklahoma.

Britton, Oklahoma, listing [redacted] is actually
Oklahoma City exchange [redacted] which covers the community
[redacted] Oklahoma, and considerable surrounding territory.
[redacted] per 1961 Oklahoma City telephone directory, is
listed to [redacted]
Oklahoma. Oklahoma City Office indices negative for [redacted]
[redacted] 1961 Oklahoma City directory lists [redacted]
[redacted] Famous Brands Wholesale Liquor,
Oklahoma City, Oklahoma.

b6
b7c

Oklahoma City telephone [redacted]
[redacted]
[redacted] Oklahoma. Oklahoma City Office indices nega-
tive for [redacted] 1960 Oklahoma City Directory lists [redacted] as
[redacted] Oklahoma Cold Storage, Inc., Oklahoma City,
Oklahoma.

b6
b7c

B*
(COVER PAGE)

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

Copy to: 1 - USA, El Paso, Texas
1 - USA, Dallas, Texas

Report of [REDACTED] (A)
Date: 5/14/62

Office: Oklahoma City

b6
b7C

Field Office File No.: OC-87-7903

Bureau File No.: 29-28704

Title: BILLIE SOL ESTES, ET AL

Character: BRIBERY; CONFLICT OF INTEREST

Synopsis: Regular [REDACTED]
maintained [REDACTED]
[REDACTED] No deposit or withdrawal activity noted
pertinent to this case. ESTES MAY HAVE SUICIDAL TENDENCIES.

b7D

-RUC-

Details:

Date May 14, 1962

1

b6
b7C
b7D

following issuance of a subpoena duces tecum which should
be directed to [redacted]
[redacted]

-2*-
(

On 5/10, 11/62 at [redacted] Oklahoma File # OC-87-7903

b6
b7C

by SA (A) [redacted] :mwr Date dictated 5/14/62

UNITED STATES GOVERNMENT

Memorandum

TO : Mr. Rosen *WR*

DATE: May 14, 1962

Time of call: 1:30 pm

FROM : W. B. Welte *WO*SUBJECT: BILLIE SOL ESTES
INTERSTATE TRANSPORTATION OF
STOLEN PROPERTY - BRIBERY

Tolson	_____
Belmont	_____
Mohr	_____
Callahan	_____
Conrad	_____
DeLoach	_____
Evans	_____
Malone	_____
Rosen	_____
Sullivan	_____
Tavel	_____
Trotter	_____
Tele. Room	_____
Holmes	_____
Gandy	_____

A request was received from the Department for an investigation into the "Washington Project" in the Estes case. San Antonio was telephonically instructed to contact Attorney General Wilson of the state of Texas who appears to have in his possession the records concerning this phase of Estes's activity.

The El Paso Office was contacted and instructed to coordinate an investigation of the "Washington Project" with the San Antonio Office. It was pointed out to El Paso that copies of three checks totaling \$145,015.14 had been described by Wilson as involved in this project. El Paso Office instructed to immediately contact the First National Bank of Pecos and run this matter out.

Both Offices were instructed to submit teletypes reflecting the results of their investigation.

*WRW**TC*

TWC/jms

(6)

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29-28704-298

22 MAY 16 1962

50 MAY 17 1962

UNITED STATES GOVERNMENT

Memorandum

TO : Mr. Mohr

DATE: May 14, 1962

FROM : C. D. DeLoach

SUBJECT: ^D BILLIE SOL ESTES
INTERSTATE TRANSPORTATION OF
STOLEN PROPERTY - BRIBERY

Viper
Tolson _____
Belmont _____
Mohr _____
Callahan _____
Conrad _____
DeLoach _____
Evans _____
Malone _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

W. J. Jones
Ind. Date
6-1-62

Walter Jenkins of the Vice President's Office called me at 6:45 p. m., 5-11-62. He made reference to the allegations in captioned case which indicated that Billie Sol Estes had given the Vice President an airplane and that the Vice President's wife, Lady Bird Johnson, had financially bailed a bankrupt company out of trouble.

Jenkins told me he knew the FBI had not "leaked" any information to the press in connection with the two mentioned allegations; however, the Vice President had noted within the past two days newspaper articles with respect to these particular allegations. Jenkins stated the Vice President had instructed him to call me to ascertain if we might have any idea where these "leaks" were coming from.

I told Jenkins that the FBI had certainly given no information to the press in connection with this case. I mentioned that we had received numerous inquiries but that the Director had specifically instructed that a "no comment" policy be maintained and that we had religiously adhered to such instructions. It was pointed out to Jenkins that he undoubtedly knew that the Texas Attorney General's office was investigating this case as well as certain groups on the Hill, particularly the McClellan Committee. I also told Jenkins that we, of course, had not sent out facts in this matter to anyone with the exception of the Department of Justice. It was pointed out that he might make inquiry with the Department if he so desired.

Jenkins told me that the Vice President suspected that the State Attorney General in Texas was probably leaking considerable information. I mentioned this was, of course, a possibility; however, I knew of no assistance we could be in connection with the party or parties who had "leaked" this information.

ACTION:

For record purposes.

1 - Mr. Jones

CDD:geg

(3)

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132

22 MAY 16 1962

50 MAY 17 1962

CC MR. TOLSON